

Representative Kay J. Christofferson proposes the following substitute bill:

TRANSPORTATION AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: Kay J. Christofferson

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;
- ▶ 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;
- ▶ amends preemption provisions related to permitting of vertiports; and
- ▶ makes technical changes.



26 **Money Appropriated in this Bill:**

27 None

28 **Other Special Clauses:**

29 This bill provides a special effective date.

30 This bill provides a coordination clause.

31 **Utah Code Sections Affected:**

32 AMENDS:

33 [17B-2a-806](#), as last amended by Laws of Utah 2022, Chapter 69

34 [41-1a-226](#), as last amended by Laws of Utah 2022, Chapter 259

35 [41-1a-401](#), as last amended by Laws of Utah 2022, Chapter 259

36 [41-1a-422](#), as last amended by Laws of Utah 2022, Chapters 19, 48, 68, 255, 259, 335,
37 451, and 456

38 [41-1a-1206](#), as last amended by Laws of Utah 2022, Chapters 56, 259

39 [41-6a-1642](#), as last amended by Laws of Utah 2022, Chapters 160, 259

40 [41-21-1](#), as last amended by Laws of Utah 2022, Chapter 259

41 [59-12-103](#), as last amended by Laws of Utah 2022, Chapters 77, 106 and 433

42 [72-1-102](#), as last amended by Laws of Utah 2022, Chapter 69

43 [72-1-202](#), as last amended by Laws of Utah 2022, Chapter 69

44 [72-1-203](#), as last amended by Laws of Utah 2019, Chapter 479

45 [72-1-213.2](#), as last amended by Laws of Utah 2022, Chapter 259

46 [72-1-304](#), as last amended by Laws of Utah 2022, Chapter 406

47 [72-1-305](#), as last amended by Laws of Utah 2018, Chapter 424

48 [72-2-106](#), as last amended by Laws of Utah 2017, Chapters 144, 234

49 [72-2-107](#), as last amended by Laws of Utah 2020, Chapter 377

50 [72-2-123](#), as last amended by Laws of Utah 2008, Chapter 382

51 [72-2-124](#), as last amended by Laws of Utah 2022, Chapters 69, 259 and 406

52 [72-2-202](#), as last amended by Laws of Utah 2022, Chapter 463

53 [72-5-102](#), as last amended by Laws of Utah 2021, Chapter 222

54 [72-5-114](#), as renumbered and amended by Laws of Utah 1998, Chapter 270

55 [72-6-112.5](#), as last amended by Laws of Utah 2019, Chapter 43

56 [72-14-103](#), as last amended by Laws of Utah 2022, Chapter 99

57 [72-16-102](#), as last amended by Laws of Utah 2020, Chapter 423

58 **Utah Code Sections Affected by Coordination Clause:**

59 [72-14-103](#), as last amended by Laws of Utah 2022, Chapter 99



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

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

63 **17B-2a-806. Authority of the state or an agency of the state with respect to a**
64 **public transit district -- Counties and municipalities authorized to provide funds to**
65 **public transit district -- Equitable allocation of resources within the public transit**
66 **district.**

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

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

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

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

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

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

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

83 (i) give priority to public transit services that feed rail fixed guideway services; and

84 (ii) allocate funds according to population distribution within the public transit district.

85 (b) The comptroller of a public transit district shall report the criteria and data
86 supporting the allocation of resources and funds in the statement required in Section

87 [17B-2a-812](#).

88 Section 2. Section 41-1a-226 is amended to read:

89 **41-1a-226. Vintage vehicle -- Signed statement -- Registration.**

90 (1) The owner of a vintage vehicle who applies for registration under this part shall
91 provide a signed statement that the vintage vehicle:

92 (a) is owned and operated for the purposes described in Section 41-21-1; and

93 (b) is safe to operate on the highways of this state as described in Section 41-21-4.

94 (2) For a vintage vehicle with a model year of [~~1980~~] 1982 or older, the signed
95 statement described in Subsection (1) is in lieu of an emissions inspection, from which a
96 vintage vehicle is exempt under Subsection 41-6a-1642(4).

97 (3) Before registration of a vintage vehicle that has a model year of [~~1981~~] 1983 or
98 newer, an owner shall:

99 (a) obtain a certificate of emissions inspection as provided in Section 41-6a-1642; or

100 (b) provide proof of vehicle insurance coverage for the vintage vehicle that is a type
101 specific to a vehicle collector.

102 Section 3. Section 41-1a-401 is amended to read:

103 **41-1a-401. License plates -- Number of plates -- Reflectorization -- Indicia of**
104 **registration in lieu of or used with plates.**

105 (1) (a) Except as provided in Subsection (1)(c), the division upon registering a vehicle
106 shall issue to the owner:

107 (i) one license plate for a motorcycle, trailer, or semitrailer;

108 (ii) one decal for a park model recreational vehicle, in lieu of a license plate, which
109 shall be attached in plain sight to the rear of the park model recreational vehicle;

110 (iii) one decal for a camper, in lieu of a license plate, which shall be attached in plain
111 sight to the rear of the camper; and

112 (iv) two identical license plates for every other vehicle.

113 (b) The license plate or decal issued under Subsection (1)(a) is for the particular
114 vehicle registered and may not be removed during the term for which the license plate or decal
115 is issued or used upon any other vehicle than the registered vehicle.

116 (c) (i) Notwithstanding Subsections (1)(a) and (b) and except as provided in Subsection
117 (1)(c)(ii), the division, upon registering a motor vehicle that has been sold, traded, or the
118 ownership of which has been otherwise released, shall transfer the license plate issued to the

119 person applying to register the vehicle if:

120 (A) the previous registered owner has included the license plate as part of the sale,
121 trade, or ownership release; and

122 (B) the person applying to register the vehicle applies to transfer the license plate to the
123 new registered owner of the vehicle.

124 (ii) The division may not transfer a personalized or special group license plate to a new
125 registered owner under this Subsection (1)(c) if the new registered owner does not meet the
126 qualification or eligibility requirements for that personalized or special group license plate
127 under Sections [41-1a-410](#) through [41-1a-422](#).

128 (2) The division may receive applications for registration renewal, renew registration,
129 and issue new license plates or decals at any time prior to the expiration of registration.

130 (3) (a) (i) Except as provided in Subsection (3)(a)(iii), all license plates to be
131 manufactured and issued by the division shall be treated with a fully reflective material on the
132 plate face that provides effective and dependable reflective brightness during the service period
133 of the license plate.

134 (ii) Except as provided in Subsection (3)(a)(iii), for a historical support special group
135 license plate created under this part, the division shall procure reflective material to satisfy the
136 requirement under Subsection (3)(a)(i) as soon as such material is available at a reasonable
137 cost.

138 (iii) Notwithstanding the reflectivity requirement described in Subsection (3)(a)(i), the
139 division may manufacture and issue a historical support special group license plate without a
140 fully reflective plate face if:

141 (A) the historical special group license plate is requested for a vintage vehicle that has
142 a model year of [~~1980~~] 1982 or older; and

143 (B) the division has manufacturing equipment and technology available to produce the
144 plate in small quantities.

145 (b) The division shall prescribe all license plate material specifications and establish
146 and implement procedures for conforming to the specifications.

147 (c) The specifications for the materials used such as the aluminum plate substrate, the
148 reflective sheeting, and glue shall be drawn in a manner so that at least two manufacturers may
149 qualify as suppliers.

- 150 (d) The granting of contracts for the materials shall be by public bid.
- 151 (4) (a) The commission may issue, adopt, and require the use of indicia of registration
- 152 it considers advisable in lieu of or in conjunction with license plates as provided in this part.
- 153 (b) All provisions of this part relative to license plates apply to these indicia of
- 154 registration, so far as the provisions are applicable.
- 155 (5) A violation of this section is an infraction.
- 156 Section 4. Section **41-1a-422** is amended to read:
- 157 **41-1a-422. Support special group license plates -- Contributor -- Voluntary**
- 158 **contribution collection procedures.**
- 159 (1) As used in this section:
- 160 (a) (i) except as provided in Subsection (1)(a)(ii), "contributor" means a person who
- 161 has donated or in whose name at least \$25 has been donated to:
- 162 (A) a scholastic scholarship fund of a single named institution;
- 163 (B) the Department of Veterans and Military Affairs for veterans programs;
- 164 (C) the Division of Wildlife Resources for the Wildlife Resources Account created in
- 165 Section [23-14-13](#), for conservation of wildlife and the enhancement, preservation, protection,
- 166 access, and management of wildlife habitat;
- 167 (D) the Department of Agriculture and Food for the benefit of conservation districts;
- 168 (E) the Division of Outdoor Recreation for the benefit of snowmobile programs;
- 169 (F) the Guardian Ad Litem Services Account and the Children's Museum of Utah, with
- 170 the donation evenly divided between the two;
- 171 (G) the Boy Scouts of America for the benefit of a Utah Boy Scouts of America
- 172 council as specified by the contributor;
- 173 (H) No More Homeless Pets in Utah for distribution to organizations or individuals
- 174 that provide spay and neuter programs that subsidize the sterilization of domestic animals;
- 175 (I) the Utah Alliance of Boys and Girls Clubs, Inc. to provide and enhance youth
- 176 development programs;
- 177 (J) the Utah Association of Public School Foundations to support public education;
- 178 (K) the Utah Housing Opportunity Restricted Account created in Section [61-2-204](#) to
- 179 assist people who have severe housing needs;
- 180 (L) the Public Safety Honoring Heroes Restricted Account created in Section [53-1-118](#)

181 to support the families of fallen Utah Highway Patrol troopers and other Department of Public
182 Safety employees;

183 (M) the Division of Outdoor Recreation for distribution to organizations that provide
184 support for Zion National Park;

185 (N) the Firefighter Support Restricted Account created in Section 53-7-109 to support
186 firefighter organizations;

187 (O) the Share the Road Bicycle Support Restricted Account created in Section
188 72-2-127 to support bicycle operation and safety awareness programs;

189 (P) the Cancer Research Restricted Account created in Section 26-21a-302 to support
190 cancer research programs;

191 (Q) Autism Awareness Restricted Account created in Section 53F-9-401 to support
192 autism awareness programs;

193 (R) Humanitarian Service and Educational and Cultural Exchange Restricted Account
194 created in Section 9-17-102 to support humanitarian service and educational and cultural
195 programs;

196 (S) Upon renewal of a prostate cancer support special group license plate, to the
197 Cancer Research Restricted Account created in Section 26-21a-302 to support cancer research
198 programs;

199 (T) the Choose Life Adoption Support Restricted Account created in Section 80-2-502
200 to support programs that promote adoption;

201 (U) the National Professional Men's Basketball Team Support of Women and Children
202 Issues Restricted Account created in Section 26B-1-302;

203 (V) the Utah Law Enforcement Memorial Support Restricted Account created in
204 Section 53-1-120;

205 (W) the Children with Cancer Support Restricted Account created in Section
206 26-21a-304 for programs that provide assistance to children with cancer;

207 (X) the National Professional Men's Soccer Team Support of Building Communities
208 Restricted Account created in Section 9-19-102;

209 (Y) the Children with Heart Disease Support Restricted Account created in Section
210 26-58-102;

211 (Z) the Utah Intracurricular Student Organization Support for Agricultural Education

212 and Leadership Restricted Account created in Section [4-42-102](#);

213 (AA) the Division of Wildlife Resources for the Support for State-Owned Shooting

214 Ranges Restricted Account created in Section [23-14-13.5](#), for the creation of new, and

215 operation and maintenance of existing, state-owned firearm shooting ranges;

216 (BB) the Utah State Historical Society to further the mission and purpose of the Utah

217 State Historical Society;

218 (CC) the Motorcycle Safety Awareness Support Restricted Account created in Section

219 [72-2-130](#);

220 (DD) clean air support causes, with half of the donation deposited into the Clean Air

221 Support Restricted Account created in Section [19-1-109](#), and half of the donation deposited

222 into the Clean Air Fund created in Section [59-10-1319](#);

223 (EE) the Latino Community Support Restricted Account created in Section [13-1-16](#);

224 (FF) the Allyson Gamble Organ Donation Contribution Fund created in Section

225 [26-18b-101](#);

226 (GG) public education on behalf of the Kiwanis International clubs, with the amount of

227 the donation required to cover the costs of issuing, ordering, or reordering Kiwanis support

228 special group plates, as determined by the State Tax Commission, deposited into the Kiwanis

229 Education Support Fund created in Section [53F-9-403](#), and all remaining donation amounts

230 deposited into the Uniform School Fund;

231 (HH) the Governor's Suicide Prevention Fund created in Section [62A-15-1103](#) to

232 support the Live On suicide prevention campaign administered by the Division of Integrated

233 Healthcare; or

234 (II) the State Park Fees Restricted Account created in Section [79-4-402](#) to support the

235 Division of State Parks' dark sky initiative.

236 (ii) (A) For a veterans special group license plate described in Subsection (4) or

237 [41-1a-421\(1\)\(a\)\(v\)](#), "contributor" means a person who has donated or in whose name at least a

238 \$25 donation at the time of application and \$10 annual donation thereafter has been made.

239 (B) For a Utah Housing Opportunity special group license plate, "contributor" means a

240 person who:

241 (I) has donated or in whose name at least \$30 has been donated at the time of

242 application and annually after the time of application; and

243 (II) is a member of a trade organization for real estate licensees that has more than
244 15,000 Utah members.

245 (C) For an Honoring Heroes special group license plate, "contributor" means a person
246 who has donated or in whose name at least \$35 has been donated at the time of application and
247 annually thereafter.

248 (D) For a firefighter support special group license plate, "contributor" means a person
249 who:

250 (I) has donated or in whose name at least \$15 has been donated at the time of
251 application and annually after the time of application; and

252 (II) is a currently employed, volunteer, or retired firefighter.

253 (E) For a cancer research special group license plate, "contributor" means a person who
254 has donated or in whose name at least \$35 has been donated at the time of application and
255 annually after the time of application.

256 (F) For a Utah Law Enforcement Memorial Support special group license plate,
257 "contributor" means a person who has donated or in whose name at least \$35 has been donated
258 at the time of application and annually thereafter.

259 (b) "Institution" means a state institution of higher education as defined under Section
260 [53B-3-102](#) or a private institution of higher education in the state accredited by a regional or
261 national accrediting agency recognized by the United States Department of Education.

262 (2) (a) An applicant for original or renewal collegiate special group license plates under
263 Subsection (1)(a)(i) must be a contributor to the institution named in the application and
264 present the original contribution verification form under Subsection (2)(b) or make a
265 contribution to the division at the time of application under Subsection (3).

266 (b) An institution with a support special group license plate shall issue to a contributor
267 a verification form designed by the commission containing:

268 (i) the name of the contributor;

269 (ii) the institution to which a donation was made;

270 (iii) the date of the donation; and

271 (iv) an attestation that the donation was for a scholastic scholarship.

272 (c) The state auditor may audit each institution to verify that the money collected by the
273 institutions from contributors is used for scholastic scholarships.

274 (d) After an applicant has been issued collegiate license plates or renewal decals, the
275 commission shall charge the institution whose plate was issued, a fee determined in accordance
276 with Section 63J-1-504 for management and administrative expenses incurred in issuing and
277 renewing the collegiate license plates.

278 (e) If the contribution is made at the time of application, the contribution shall be
279 collected, treated, and deposited as provided under Subsection (3).

280 (3) (a) (i) Except as provided in Subsection (3)(a)(ii), an applicant for original or
281 renewal support special group license plates under this section must be a contributor to the
282 sponsoring organization associated with the license plate.

283 (ii) An applicant for a historical special group license plate is not required to make a
284 donation to the Utah State Historical Society if the historical special group license plate is for a
285 vintage vehicle that has a model year of [~~1980~~] 1982 or older.

286 (b) This contribution shall be:

287 (i) unless collected by the named institution under Subsection (2), collected by the
288 division;

289 (ii) considered a voluntary contribution for the funding of the activities specified under
290 this section and not a motor vehicle registration fee;

291 (iii) deposited into the appropriate account less actual administrative costs associated
292 with issuing the license plates; and

293 (iv) for a firefighter special group license plate, deposited into the appropriate account
294 less:

295 (A) the costs of reordering firefighter special group license plate decals; and

296 (B) the costs of replacing recognition special group license plates with new license
297 plates under Subsection 41-1a-1211(13).

298 (c) The donation described in Subsection (1)(a) must be made in the 12 months before
299 registration or renewal of registration.

300 (d) The donation described in Subsection (1)(a) shall be a one-time donation made to
301 the division when issuing original:

302 (i) snowmobile license plates; or

303 (ii) conservation license plates.

304 (4) Veterans license plates shall display one of the symbols representing the Army,

305 Navy, Air Force, Marines, Coast Guard, or American Legion.

306 Section 5. Section **41-1a-1206** is amended to read:

307 **41-1a-1206. Registration fees -- Fees by gross laden weight.**

308 (1) Except as provided in Subsections (2) and (3), at the time application is made for
309 registration or renewal of registration of a vehicle or combination of vehicles under this
310 chapter, a registration fee shall be paid to the division as follows:

311 (a) \$46.00 for each motorcycle;

312 (b) \$44 for each motor vehicle of 12,000 pounds or less gross laden weight, excluding
313 motorcycles;

314 (c) unless the semitrailer or trailer is exempt from registration under Section [41-1a-202](#)
315 or is registered under Section [41-1a-301](#):

316 (i) \$31 for each trailer or semitrailer over 750 pounds gross unladen weight; or

317 (ii) \$28.50 for each commercial trailer or commercial semitrailer of 750 pounds or less
318 gross unladen weight;

319 (d) (i) \$53 for each farm truck over 12,000 pounds, but not exceeding 14,000 pounds
320 gross laden weight; plus

321 (ii) \$9 for each 2,000 pounds over 14,000 pounds gross laden weight;

322 (e) (i) \$69.50 for each motor vehicle or combination of motor vehicles, excluding farm
323 trucks, over 12,000 pounds, but not exceeding 14,000 pounds gross laden weight; plus

324 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;

325 (f) (i) \$69.50 for each park model recreational vehicle over 12,000 pounds, but not
326 exceeding 14,000 pounds gross laden weight; plus

327 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;

328 (g) \$45 for each vintage vehicle that has a model year of [~~1981~~] 1983 or newer;

329 (h) in addition to the fee described in Subsection (1)(b):

330 (i) an amount equal to the road usage charge cap described in Section [72-1-213.1](#) for:

331 (A) each electric motor vehicle; and

332 (B) Each motor vehicle not described in this Subsection (1)(h) that is fueled
333 exclusively by a source other than motor fuel, diesel fuel, natural gas, or propane;

334 (ii) \$21.75 for each hybrid electric motor vehicle; and

335 (iii) \$56.50 for each plug-in hybrid electric motor vehicle; and

336 (i) in addition to the fee described in Subsection (1)(g), for a vintage vehicle that has a
337 model year of [~~1981~~] 1983 or newer, 50 cents.

338 (2) (a) At the time application is made for registration or renewal of registration of a
339 vehicle under this chapter for a six-month registration period under Section [41-1a-215.5](#), a
340 registration fee shall be paid to the division as follows:

341 (i) \$34.50 for each motorcycle; and

342 (ii) \$33.50 for each motor vehicle of 12,000 pounds or less gross laden weight,
343 excluding motorcycles.

344 (b) In addition to the fee described in Subsection (2)(a)(ii), for registration or renewal
345 of registration of a vehicle under this chapter for a six-month registration period under Section
346 [41-1a-215.5](#) a registration fee shall be paid to the division as follows:

347 (i) an amount equal to the road usage charge cap described in Section [72-1-213.1](#) for:

348 (A) each electric motor vehicle; and

349 (B) each motor vehicle not described in this Subsection (2)(b) that is fueled exclusively
350 by a source other than motor fuel, diesel fuel, natural gas, or propane;

351 (ii) \$16.50 for each hybrid electric motor vehicle; and

352 (iii) \$43.50 for each plug-in hybrid electric motor vehicle.

353 (3) (a) (i) Beginning on January 1, 2019, the commission shall, on January 1, annually
354 adjust the registration fees described in Subsections (1)(a), (1)(b), (1)(c)(i), (1)(c)(ii), (1)(d)(i),
355 (1)(e)(i), (1)(f)(i), (1)(g), (2)(a), (4)(a), and (7), by taking the registration fee rate for the
356 previous year and adding an amount equal to the greater of:

357 (A) an amount calculated by multiplying the registration fee of the previous year by the
358 actual percentage change during the previous fiscal year in the Consumer Price Index; and

359 (B) 0.

360 (ii) Beginning on January 1, 2024, the commission shall, on January 1, annually adjust
361 the registration fees described in Subsections (1)(h)(ii) and (iii) and (2)(b)(ii) and (iii) by taking
362 the registration fee rate for the previous year and adding an amount equal to the greater of:

363 (A) an amount calculated by multiplying the registration fee of the previous year by the
364 actual percentage change during the previous fiscal year in the Consumer Price Index; and

365 (B) 0.

366 (b) The amounts calculated as described in Subsection (3)(a) shall be rounded up to the

367 nearest 25 cents.

368 (4) (a) The initial registration fee for a vintage vehicle that has a model year of [~~1980~~
369 1982 or older is \$40.

370 (b) A vintage vehicle that has a model year of [~~1980~~ 1982 or older is exempt from the
371 renewal of registration fees under Subsection (1).

372 (c) A vehicle with a Purple Heart special group license plate issued in accordance with
373 Section 41-1a-421 is exempt from the registration fees under Subsection (1).

374 (d) A camper is exempt from the registration fees under Subsection (1).

375 (5) If a motor vehicle is operated in combination with a semitrailer or trailer, each
376 motor vehicle shall register for the total gross laden weight of all units of the combination if the
377 total gross laden weight of the combination exceeds 12,000 pounds.

378 (6) (a) Registration fee categories under this section are based on the gross laden
379 weight declared in the licensee's application for registration.

380 (b) Gross laden weight shall be computed in units of 2,000 pounds. A fractional part
381 of 2,000 pounds is a full unit.

382 (7) The owner of a commercial trailer or commercial semitrailer may, as an alternative
383 to registering under Subsection (1)(c), apply for and obtain a special registration and license
384 plate for a fee of \$130.

385 (8) Except as provided in Section 41-6a-1642, a truck may not be registered as a farm
386 truck unless:

387 (a) the truck meets the definition of a farm truck under Section 41-1a-102; and

388 (b) (i) the truck has a gross vehicle weight rating of more than 12,000 pounds; or

389 (ii) the truck has a gross vehicle weight rating of 12,000 pounds or less and the owner
390 submits to the division a certificate of emissions inspection or a waiver in compliance with
391 Section 41-6a-1642.

392 (9) A violation of Subsection (8) is an infraction that shall be punished by a fine of not
393 less than \$200.

394 (10) Trucks used exclusively to pump cement, bore wells, or perform crane services
395 with a crane lift capacity of five or more tons, are exempt from 50% of the amount of the fees
396 required for those vehicles under this section.

397 Section 6. Section 41-6a-1642 is amended to read:

398 **41-6a-1642. Emissions inspection -- County program.**

399 (1) The legislative body of each county required under federal law to utilize a motor
400 vehicle emissions inspection and maintenance program or in which an emissions inspection
401 and maintenance program is necessary to attain or maintain any national ambient air quality
402 standard shall require:

403 (a) a certificate of emissions inspection, a waiver, or other evidence the motor vehicle
404 is exempt from emissions inspection and maintenance program requirements be presented:

405 (i) as a condition of registration or renewal of registration; and

406 (ii) at other times as the county legislative body may require to enforce inspection
407 requirements for individual motor vehicles, except that the county legislative body may not
408 routinely require a certificate of emissions inspection, or waiver of the certificate, more often
409 than required under Subsection (9); and

410 (b) compliance with this section for a motor vehicle registered or principally operated
411 in the county and owned by or being used by a department, division, instrumentality, agency, or
412 employee of:

413 (i) the federal government;

414 (ii) the state and any of its agencies; or

415 (iii) a political subdivision of the state, including school districts.

416 (2) A vehicle owner subject to Subsection (1) shall obtain a motor vehicle emissions
417 inspection and maintenance program certificate of emissions inspection as described in
418 Subsection (1), but the program may not deny vehicle registration based solely on the presence
419 of a defeat device covered in the Volkswagen partial consent decrees or a United States
420 Environmental Protection Agency-approved vehicle modification in the following vehicles:

421 (a) a 2.0-liter diesel engine motor vehicle in which its lifetime nitrogen oxide
422 emissions are mitigated in the state pursuant to a partial consent decree, including:

423 (i) Volkswagen Jetta, model years 2009, 2010, 2011, 2012, 2013, 2014, and 2015;

424 (ii) Volkswagen Jetta Sportwagen, model years 2009, 2010, 2011, 2012, 2013, and
425 2014;

426 (iii) Volkswagen Golf, model years 2010, 2011, 2012, 2013, 2014, and 2015;

427 (iv) Volkswagen Golf Sportwagen, model year 2015;

428 (v) Volkswagen Passat, model years 2012, 2013, 2014, and 2015;

- 429 (vi) Volkswagen Beetle, model years 2013, 2014, and 2015;
- 430 (vii) Volkswagen Beetle Convertible, model years 2013, 2014, and 2015; and
- 431 (viii) Audi A3, model years 2010, 2011, 2012, 2013, and 2015; and
- 432 (b) a 3.0-liter diesel engine motor vehicle in which its lifetime nitrogen oxide
- 433 emissions are mitigated in the state to a settlement, including:
- 434 (i) Volkswagen Touareg, model years 2009, 2010, 2011, 2012, 2013, 2014, 2015, and
- 435 2016;
- 436 (ii) Audi Q7, model years 2009, 2010, 2011, 2012, 2013, 2014, 2015, and 2016;
- 437 (iii) Audi A6 Quattro, model years 2014, 2015, and 2016;
- 438 (iv) Audi A7 Quattro, model years 2014, 2015, and 2016;
- 439 (v) Audi A8, model years 2014, 2015, and 2016;
- 440 (vi) Audi A8L, model years 2014, 2015, and 2016;
- 441 (vii) Audi Q5, model years 2014, 2015, and 2016; and
- 442 (viii) Porsche Cayenne Diesel, model years 2013, 2014, 2015, and 2016.
- 443 (3) (a) The legislative body of a county identified in Subsection (1), in consultation
- 444 with the Air Quality Board created under Section 19-1-106, shall make regulations or
- 445 ordinances regarding:
- 446 (i) emissions standards;
- 447 (ii) test procedures;
- 448 (iii) inspections stations;
- 449 (iv) repair requirements and dollar limits for correction of deficiencies; and
- 450 (v) certificates of emissions inspections.
- 451 (b) In accordance with Subsection (3)(a), a county legislative body:
- 452 (i) shall make regulations or ordinances to attain or maintain ambient air quality
- 453 standards in the county, consistent with the state implementation plan and federal
- 454 requirements;
- 455 (ii) may allow for a phase-in of the program by geographical area; and
- 456 (iii) shall comply with the analyzer design and certification requirements contained in
- 457 the state implementation plan prepared under Title 19, Chapter 2, Air Conservation Act.
- 458 (c) The county legislative body and the Air Quality Board shall give preference to an
- 459 inspection and maintenance program that:

460 (i) is decentralized, to the extent the decentralized program will attain and maintain
461 ambient air quality standards and meet federal requirements;

462 (ii) is the most cost effective means to achieve and maintain the maximum benefit with
463 regard to ambient air quality standards and to meet federal air quality requirements as related to
464 vehicle emissions; and

465 (iii) provides a reasonable phase-out period for replacement of air pollution emission
466 testing equipment made obsolete by the program.

467 (d) The provisions of Subsection (3)(c)(iii) apply only to the extent the phase-out:

468 (i) may be accomplished in accordance with applicable federal requirements; and

469 (ii) does not otherwise interfere with the attainment and maintenance of ambient air
470 quality standards.

471 (4) The following vehicles are exempt from an emissions inspection program and the
472 provisions of this section:

473 (a) an implement of husbandry as defined in Section 41-1a-102;

474 (b) a motor vehicle that:

475 (i) meets the definition of a farm truck under Section 41-1a-102; and

476 (ii) has a gross vehicle weight rating of 12,001 pounds or more;

477 (c) a vintage vehicle as defined in Section 41-21-1:

478 (i) if the vintage vehicle has a model year of [~~1980~~] 1982 or older; or

479 (ii) for a vintage vehicle that has a model year of [~~1981~~] 1983 or newer, if the owner
480 provides proof of vehicle insurance that is a type specific to a vehicle collector;

481 (d) a custom vehicle as defined in Section 41-6a-1507;

482 (e) to the extent allowed under the current federally approved state implementation
483 plan, in accordance with the federal Clean Air Act, 42 U.S.C. Sec. 7401, et seq., a motor
484 vehicle that is less than two years old on January 1 based on the age of the vehicle as
485 determined by the model year identified by the manufacturer;

486 (f) a pickup truck, as defined in Section 41-1a-102, with a gross vehicle weight rating
487 of 12,000 pounds or less, if the registered owner of the pickup truck provides a signed
488 statement to the legislative body stating the truck is used:

489 (i) by the owner or operator of a farm located on property that qualifies as land in
490 agricultural use under Sections 59-2-502 and 59-2-503; and

491 (ii) exclusively for the following purposes in operating the farm:
492 (A) for the transportation of farm products, including livestock and its products,
493 poultry and its products, floricultural and horticultural products; and
494 (B) in the transportation of farm supplies, including tile, fence, and every other thing or
495 commodity used in agricultural, floricultural, horticultural, livestock, and poultry production
496 and maintenance;
497 (g) a motorcycle as defined in Section 41-1a-102;
498 (h) an electric motor vehicle as defined in Section 41-1a-102; and
499 (i) a motor vehicle with a model year of 1967 or older.
500 (5) The county shall issue to the registered owner who signs and submits a signed
501 statement under Subsection (4)(f) a certificate of exemption from emissions inspection
502 requirements for purposes of registering the exempt vehicle.
503 (6) A legislative body of a county described in Subsection (1) may exempt from an
504 emissions inspection program a diesel-powered motor vehicle with a:
505 (a) gross vehicle weight rating of more than 14,000 pounds; or
506 (b) model year of 1997 or older.
507 (7) The legislative body of a county required under federal law to utilize a motor
508 vehicle emissions inspection program shall require:
509 (a) a computerized emissions inspection for a diesel-powered motor vehicle that has:
510 (i) a model year of 2007 or newer;
511 (ii) a gross vehicle weight rating of 14,000 pounds or less; and
512 (iii) a model year that is five years old or older;
513 (b) a visual inspection of emissions equipment for a diesel-powered motor vehicle:
514 (i) with a gross vehicle weight rating of 14,000 pounds or less;
515 (ii) that has a model year of 1998 or newer; and
516 (iii) that has a model year that is five years old or older.
517 (8) (a) Subject to Subsection (8)(c), the legislative body of each county required under
518 federal law to utilize a motor vehicle emissions inspection and maintenance program or in
519 which an emissions inspection and maintenance program is necessary to attain or maintain any
520 national ambient air quality standard may require each college or university located in a county
521 subject to this section to require its students and employees who park a motor vehicle not

522 registered in a county subject to this section to provide proof of compliance with an emissions
523 inspection accepted by the county legislative body if the motor vehicle is parked on the college
524 or university campus or property.

525 (b) College or university parking areas that are metered or for which payment is
526 required per use are not subject to the requirements of this Subsection (8).

527 (c) The legislative body of a county shall make the reasons for implementing the
528 provisions of this Subsection (8) part of the record at the time that the county legislative body
529 takes its official action to implement the provisions of this Subsection (8).

530 (9) (a) An emissions inspection station shall issue a certificate of emissions inspection
531 for each motor vehicle that meets the inspection and maintenance program requirements
532 established in regulations or ordinances made under Subsection (3).

533 (b) The frequency of the emissions inspection shall be determined based on the age of
534 the vehicle as determined by model year and shall be required annually subject to the
535 provisions of Subsection (9)(c).

536 (c) (i) To the extent allowed under the current federally approved state implementation
537 plan, in accordance with the federal Clean Air Act, 42 U.S.C. Sec. 7401 et seq., the legislative
538 body of a county identified in Subsection (1) shall only require the emissions inspection every
539 two years for each vehicle.

540 (ii) The provisions of Subsection (9)(c)(i) apply only to a vehicle that is less than six
541 years old on January 1.

542 (iii) For a county required to implement a new vehicle emissions inspection and
543 maintenance program on or after December 1, 2012, under Subsection (1), but for which no
544 current federally approved state implementation plan exists, a vehicle shall be tested at a
545 frequency determined by the county legislative body, in consultation with the Air Quality
546 Board created under Section [19-1-106](#), that is necessary to comply with federal law or attain or
547 maintain any national ambient air quality standard.

548 (iv) If a county legislative body establishes or changes the frequency of a vehicle
549 emissions inspection and maintenance program under Subsection (9)(c)(iii), the establishment
550 or change shall take effect on January 1 if the State Tax Commission receives notice meeting
551 the requirements of Subsection (9)(c)(v) from the county before October 1.

552 (v) The notice described in Subsection (9)(c)(iv) shall:

553 (A) state that the county will establish or change the frequency of the vehicle emissions
554 inspection and maintenance program under this section;

555 (B) include a copy of the ordinance establishing or changing the frequency; and

556 (C) if the county establishes or changes the frequency under this section, state how
557 frequently the emissions testing will be required.

558 (d) If an emissions inspection is only required every two years for a vehicle under
559 Subsection (9)(c), the inspection shall be required for the vehicle in:

560 (i) odd-numbered years for vehicles with odd-numbered model years; or

561 (ii) in even-numbered years for vehicles with even-numbered model years.

562 (10) (a) Except as provided in Subsections (9)(b), (c), and (d), the emissions inspection
563 required under this section may be made no more than two months before the renewal of
564 registration.

565 (b) (i) If the title of a used motor vehicle is being transferred, the owner may use an
566 emissions inspection certificate issued for the motor vehicle during the previous 11 months to
567 satisfy the requirement under this section.

568 (ii) If the transferor is a licensed and bonded used motor vehicle dealer, the owner may
569 use an emissions inspection certificate issued for the motor vehicle in a licensed and bonded
570 motor vehicle dealer's name during the previous 11 months to satisfy the requirement under
571 this section.

572 (c) If the title of a leased vehicle is being transferred to the lessee of the vehicle, the
573 lessee may use an emissions inspection certificate issued during the previous 11 months to
574 satisfy the requirement under this section.

575 (d) If the motor vehicle is part of a fleet of 101 or more vehicles, the owner may not
576 use an emissions inspection made more than 11 months before the renewal of registration to
577 satisfy the requirement under this section.

578 (e) If the application for renewal of registration is for a six-month registration period
579 under Section [41-1a-215.5](#), the owner may use an emissions inspection certificate issued during
580 the previous eight months to satisfy the requirement under this section.

581 (11) (a) A county identified in Subsection (1) shall collect information about and
582 monitor the program.

583 (b) A county identified in Subsection (1) shall supply this information to an appropriate

584 legislative committee, as designated by the Legislative Management Committee, at times
585 determined by the designated committee to identify program needs, including funding needs.

586 (12) If approved by the county legislative body, a county that had an established
587 emissions inspection fee as of January 1, 2002, may increase the established fee that an
588 emissions inspection station may charge by \$2.50 for each year that is exempted from
589 emissions inspections under Subsection (9)(c) up to a \$7.50 increase.

590 (13) (a) Except as provided in Subsection [41-1a-1223\(1\)\(c\)](#), a county identified in
591 Subsection (1) may impose a local emissions compliance fee on each motor vehicle registration
592 within the county in accordance with the procedures and requirements of Section [41-1a-1223](#).

593 (b) A county that imposes a local emissions compliance fee may use revenues
594 generated from the fee for the establishment and enforcement of an emissions inspection and
595 maintenance program in accordance with the requirements of this section.

596 (c) A county that imposes a local emissions compliance fee may use revenues
597 generated from the fee to promote programs to maintain a local, state, or national ambient air
598 quality standard.

599 (14) (a) If a county has reason to believe that a vehicle owner has provided an address
600 as required in Section [41-1a-209](#) to register or attempt to register a motor vehicle in a county
601 other than the county of the bona fide residence of the owner in order to avoid an emissions
602 inspection required under this section, the county may investigate and gather evidence to
603 determine whether the vehicle owner has used a false address or an address other than the
604 vehicle owner's bona fide residence or place of business.

605 (b) If a county conducts an investigation as described in Subsection (14)(a) and
606 determines that the vehicle owner has used a false or improper address in an effort to avoid an
607 emissions inspection as required in this section, the county may impose a civil penalty of
608 \$1,000.

609 Section 7. Section **41-21-1** is amended to read:

610 **41-21-1. Definitions.**

611 (1) "Autocycle" means the same as that term is defined in Section [53-3-102](#).

612 (2) "Motorcycle" means:

613 (a) a motor vehicle having a saddle for the use of the rider and designed to travel on not
614 more than three wheels in contact with the ground; or

- 615 (b) an autocycle.
- 616 (3) (a) "Street rod" means a motor vehicle or motorcycle that:
- 617 (i) (A) was manufactured in 1948 or before; or
- 618 (B) (I) was manufactured after 1948 to resemble a vehicle that was manufactured in
- 619 1948 or before; and
- 620 (II) (Aa) has been altered from the manufacturer's original design; or
- 621 (Bb) has a body constructed from non-original materials; and
- 622 (ii) is primarily a collector's item that is used for:
- 623 (A) club activities;
- 624 (B) exhibitions;
- 625 (C) tours;
- 626 (D) parades;
- 627 (E) occasional transportation; and
- 628 (F) other similar uses.
- 629 (b) "Street rod" does not include a motor vehicle or motorcycle that is used for general,
- 630 daily transportation.
- 631 (4) (a) "Vintage travel trailer" means a travel trailer, camping trailer, or fifth wheel
- 632 trailer that is:
- 633 (i) 30 years old or older, from the current year; and
- 634 (ii) primarily a collector's item that is used for:
- 635 (A) participation in club activities;
- 636 (B) exhibitions;
- 637 (C) tours;
- 638 (D) parades;
- 639 (E) occasional recreational or vacation use; and
- 640 (F) other similar uses.
- 641 (b) "Vintage travel trailer" does not include a travel trailer, camping trailer, or fifth
- 642 wheel trailer that is used for the general, daily transportation of persons or property.
- 643 (5) (a) "Vintage vehicle" means a motor vehicle or motorcycle that:
- 644 (i) is 30 years old or older from the current year;
- 645 (ii) displays:

646 (A) a unique vehicle type special group license plate issued in accordance with Section
647 41-1a-418; or

648 (B) for a vehicle that has a model year of [~~1980~~] 1982 or older, a historical support
649 special group plate; and

650 (iii) is primarily a collector's item that is used for:

651 (A) participation in club activities;

652 (B) exhibitions;

653 (C) tours;

654 (D) parades;

655 (E) occasional transportation; and

656 (F) other similar uses.

657 (b) "Vintage vehicle" does not include a motor vehicle or motorcycle that is used for
658 general, daily transportation.

659 (c) "Vintage vehicle" includes a:

660 (i) street rod; and

661 (ii) vintage travel trailer.

662 Section 8. Section **59-12-103** is amended to read:

663 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use**
664 **tax revenues.**

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

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

668 (b) amounts paid for:

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

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

674 (iii) an ancillary service associated with a:

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

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

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

678 (i) gas;

679 (ii) electricity;

680 (iii) heat;

681 (iv) coal;

682 (v) fuel oil; or

683 (vi) other fuels;

684 (d) sales of the following for residential use:

685 (i) gas;

686 (ii) electricity;

687 (iii) heat;

688 (iv) coal;

689 (v) fuel oil; or

690 (vi) other fuels;

691 (e) sales of prepared food;

692 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
693 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
694 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
695 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
696 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
697 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
698 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
699 horseback rides, sports activities, or any other amusement, entertainment, recreation,
700 exhibition, cultural, or athletic activity;

701 (g) amounts paid or charged for services for repairs or renovations of tangible personal
702 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:

703 (i) the tangible personal property; and

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

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

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

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

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

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

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

717 (i) stored;

718 (ii) used; or

719 (iii) otherwise consumed;

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

722 (i) stored;

723 (ii) used; or

724 (iii) consumed; and

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

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

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

728 (ii) regardless of whether the sale provides:

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

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

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

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

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

735 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:

736 (A) 4.70% plus the rate specified in Subsection (12)(a); and

737 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales
738 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211

739 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
740 State Sales and Use Tax Act; and

741 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
742 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
743 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
744 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

745 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
746 transaction under this chapter other than this part.

747 (b) Except as provided in Subsection (2)(e) or (f) and subject to Subsection (2)(k), a
748 state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to
749 the sum of:

750 (i) a state tax imposed on the transaction at a tax rate of 2%; and

751 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
752 transaction under this chapter other than this part.

753 (c) Except as provided in Subsection (2)(e) or (f), a state tax and a local tax are
754 imposed on amounts paid or charged for food and food ingredients equal to the sum of:

755 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at
756 a tax rate of 1.75%; and

757 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
758 amounts paid or charged for food and food ingredients under this chapter other than this part.

759 (d) Except as provided in Subsection (2)(e) or (f), a state tax is imposed on amounts
760 paid or charged for fuel to a common carrier that is a railroad for use in a locomotive engine at
761 a rate of 4.85%.

762 (e) (i) For a bundled transaction that is attributable to food and food ingredients and
763 tangible personal property other than food and food ingredients, a state tax and a local tax is
764 imposed on the entire bundled transaction equal to the sum of:

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

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

767 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
768 Sales and Use Tax Act, if the location of the transaction as determined under Sections

769 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,

770 Additional State Sales and Use Tax Act; and

771 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
772 Sales and Use Tax Act, if the location of the transaction as determined under Sections
773 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which
774 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

775 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
776 described in Subsection (2)(a)(ii).

777 (ii) If an optional computer software maintenance contract is a bundled transaction that
778 consists of taxable and nontaxable products that are not separately itemized on an invoice or
779 similar billing document, the purchase of the optional computer software maintenance contract
780 is 40% taxable under this chapter and 60% nontaxable under this chapter.

781 (iii) Subject to Subsection (2)(e)(iv), for a bundled transaction other than a bundled
782 transaction described in Subsection (2)(e)(i) or (ii):

783 (A) if the sales price of the bundled transaction is attributable to tangible personal
784 property, a product, or a service that is subject to taxation under this chapter and tangible
785 personal property, a product, or service that is not subject to taxation under this chapter, the
786 entire bundled transaction is subject to taxation under this chapter unless:

787 (I) the seller is able to identify by reasonable and verifiable standards the tangible
788 personal property, product, or service that is not subject to taxation under this chapter from the
789 books and records the seller keeps in the seller's regular course of business; or

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

791 (B) if the sales price of a bundled transaction is attributable to two or more items of
792 tangible personal property, products, or services that are subject to taxation under this chapter
793 at different rates, the entire bundled transaction is subject to taxation under this chapter at the
794 higher tax rate unless:

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

798 (II) state or federal law provides otherwise.

799 (iv) For purposes of Subsection (2)(e)(iii), books and records that a seller keeps in the
800 seller's regular course of business includes books and records the seller keeps in the regular

801 course of business for nontax purposes.

802 (f) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(f)(ii)
803 and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a
804 product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental
805 of tangible personal property, other property, a product, or a service that is not subject to
806 taxation under this chapter, the entire transaction is subject to taxation under this chapter unless
807 the seller, at the time of the transaction:

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

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

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

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

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

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

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

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

830 (B) is able to identify by reasonable and verifiable standards the tangible personal
831 property, product, or service that is subject to taxation under this chapter at the lower tax rate

832 from the books and records the seller keeps in the seller's regular course of business.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

859 (A) on the first day of a calendar quarter; and

860 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

861 (ii) Subsection (2)(j)(i) applies to the tax rates described in the following:

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

- 863 (B) Subsection (2)(b)(i);
- 864 (C) Subsection (2)(c)(i); or
- 865 (D) Subsection (2)(e)(i)(A)(I).

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

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

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

- 873 (A) a commercial use;
- 874 (B) an industrial use; or
- 875 (C) a residential use.

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

- 877 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 878 (ii) the tax imposed by Subsection (2)(b)(i);
- 879 (iii) the tax imposed by Subsection (2)(c)(i); and
- 880 (iv) the tax imposed by Subsection (2)(e)(i)(A)(I).

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

- 883 (i) the tax imposed by Subsection (2)(a)(ii);
- 884 (ii) the tax imposed by Subsection (2)(b)(ii);
- 885 (iii) the tax imposed by Subsection (2)(c)(ii); and
- 886 (iv) the tax imposed by Subsection (2)(e)(i)(B).

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

889 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
890 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
891 through (g):

- 892 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
893 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and

894 (B) for the fiscal year; or

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

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

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

901 (B) award grants, up to the amount authorized by the Legislature in an appropriations
902 act, to political subdivisions of the state to implement the measures described in Subsections
903 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

952 (iii) develop surface water sources.

953 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
954 2006, the difference between the following amounts shall be expended as provided in this
955 Subsection (5), if that difference is greater than \$1:

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

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

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

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

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

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

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

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

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

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

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

980 (i) preconstruction costs:

981 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
982 26, Bear River Development Act; and

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

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

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

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

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

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

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

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

1000 (ii) 80% of the revenue described in this Subsection (6) shall be deposited into the
1001 Water Infrastructure Restricted Account created by Section 73-10g-103; and

1002 (b) for a fiscal year beginning on or after July 1, 2021, 100% of the revenue described
1003 in this Subsection (6) shall be deposited into the Water Infrastructure Restricted Account
1004 created by Section 73-10g-103.

1005 (7) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in
1006 Subsection (6), and subject to Subsection (7)(b), for a fiscal year beginning on or after July 1,
1007 2012, the Division of Finance shall deposit into the Transportation Investment Fund of 2005
1008 created by Section 72-2-124:

1009 (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of
1010 the revenues collected from the following taxes, which represents a portion of the
1011 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
1012 on vehicles and vehicle-related products:

1013 (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1014 (B) the tax imposed by Subsection (2)(b)(i);

1015 (C) the tax imposed by Subsection (2)(c)(i); and

1016 (D) the tax imposed by Subsection (2)(e)(i)(A)(I); plus

1017 (ii) an amount equal to 30% of the growth in the amount of revenues collected in the

1018 current fiscal year from the sales and use taxes described in Subsections (7)(a)(i)(A) through
1019 (D) that exceeds the amount collected from the sales and use taxes described in Subsections
1020 (7)(a)(i)(A) through (D) in the 2010-11 fiscal year.

1021 (b) (i) Subject to Subsections (7)(b)(ii) and (iii), in any fiscal year that the portion of
1022 the sales and use taxes deposited under Subsection (7)(a) represents an amount that is a total
1023 lower percentage of the sales and use taxes described in Subsections (7)(a)(i)(A) through (D)
1024 generated in the current fiscal year than the total percentage of sales and use taxes deposited in
1025 the previous fiscal year, the Division of Finance shall deposit an amount under Subsection
1026 (7)(a) equal to the product of:

1027 (A) the total percentage of sales and use taxes deposited under Subsection (7)(a) in the
1028 previous fiscal year; and

1029 (B) the total sales and use tax revenue generated by the taxes described in Subsections
1030 (7)(a)(i)(A) through (D) in the current fiscal year.

1031 (ii) In any fiscal year in which the portion of the sales and use taxes deposited under
1032 Subsection (7)(a) would exceed 17% of the revenues collected from the sales and use taxes
1033 described in Subsections (7)(a)(i)(A) through (D) in the current fiscal year, the Division of
1034 Finance shall deposit 17% of the revenues collected from the sales and use taxes described in
1035 Subsections (7)(a)(i)(A) through (D) for the current fiscal year under Subsection (7)(a).

1036 (iii) Subject to Subsection (7)(b)(iv)(E), in all subsequent fiscal years after a year in
1037 which 17% of the revenues collected from the sales and use taxes described in Subsections
1038 (7)(a)(i)(A) through (D) was deposited under Subsection (7)(a), the Division of Finance shall
1039 annually deposit 17% of the revenues collected from the sales and use taxes described in
1040 Subsections (7)(a)(i)(A) through (D) in the current fiscal year under Subsection (7)(a).

1041 (iv) (A) As used in this Subsection (7)(b)(iv), "additional growth revenue" means the
1042 amount of relevant revenue collected in the current fiscal year that exceeds by more than 3%
1043 the relevant revenue collected in the previous fiscal year.

1044 (B) As used in this Subsection (7)(b)(iv), "combined amount" means the combined
1045 total amount of money deposited into the Cottonwood Canyons fund under Subsections
1046 (7)(b)(iv)(F) and (8)(d)(vi) in any single fiscal year.

1047 (C) As used in this Subsection (7)(b)(iv), "Cottonwood Canyons fund" means the
1048 Cottonwood Canyons Transportation Investment Fund created in Subsection [72-2-124\(10\)](#).

1049 (D) As used in this Subsection (7)(b)(iv), "relevant revenue" means the portion of taxes
1050 listed under Subsection (3)(a) that equals 17% of the revenue collected from taxes described in
1051 Subsections (7)(a)(i)(A) through (D).

1052 (E) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
1053 reduce the deposit under Subsection (7)(b)(iii) into the Transportation Investment Fund of 2005
1054 by an amount equal to the amount of the deposit under this Subsection (7)(b)(iv) to the
1055 Cottonwood Canyons fund in the previous fiscal year plus 25% of additional growth revenue,
1056 subject to the limit in Subsection (7)(b)(iv)(F).

1057 (F) The commission shall annually deposit the amount described in Subsection
1058 (7)(b)(iv)(E) into the Cottonwood Canyons fund, subject to an annual maximum combined
1059 amount for any single fiscal year of \$20,000,000.

1060 (G) If the amount of relevant revenue declines in a fiscal year compared to the previous
1061 fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood
1062 Canyons fund under this Subsection (7)(b)(iv) in the same proportion as the decline in relevant
1063 revenue.

1064 (c) (i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,
1065 2023, the commission shall annually reduce the deposit into the Transportation Investment
1066 Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is equal to 5% of:

1067 (A) the amount of revenue generated in the current fiscal year by the portion of taxes
1068 listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes described
1069 in Subsections (7)(a)(i)(A) through (D);

1070 (B) the amount of revenue generated in the current fiscal year by registration fees
1071 designated under Section [41-1a-1201](#) to be deposited into the Transportation Investment Fund
1072 of 2005; and

1073 (C) revenues transferred by the Division of Finance to the Transportation Investment
1074 Fund of 2005 in accordance with Section [72-2-106](#) in the current fiscal year.

1075 (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a
1076 given fiscal year.

1077 (iii) The commission shall annually deposit the amount described in Subsection
1078 (7)(c)(i) into the Active Transportation Investment Fund created in Subsection [72-2-124](#)(11).

1079 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under

1080 Subsections (6) and (7), and subject to Subsections (8)(b) and (d)(v), for a fiscal year beginning
1081 on or after July 1, 2018, the commission shall annually deposit into the Transportation
1082 Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under
1083 Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the following
1084 taxes:

1085 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1086 (ii) the tax imposed by Subsection (2)(b)(i);

1087 (iii) the tax imposed by Subsection (2)(c)(i); and

1088 (iv) the tax imposed by Subsection (2)(e)(i)(A)(I).

1089 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
1090 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(a) by
1091 an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by
1092 the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale
1093 or use in this state that exceeds 29.4 cents per gallon.

1094 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
1095 into the Transit Transportation Investment Fund created in Section 72-2-124.

1096 (d) (i) As used in this Subsection (8)(d), "additional growth revenue" means the
1097 amount of relevant revenue collected in the current fiscal year that exceeds by more than 3%
1098 the relevant revenue collected in the previous fiscal year.

1099 (ii) As used in this Subsection (8)(d), "combined amount" means the combined total
1100 amount of money deposited into the Cottonwood Canyons fund under Subsections (7)(b)(iv)(F)
1101 and (8)(d)(vi) in any single fiscal year.

1102 (iii) As used in this Subsection (8)(d), "Cottonwood Canyons fund" means the
1103 Cottonwood Canyons Transportation Investment Fund created in Subsection 72-2-124(10).

1104 (iv) As used in this Subsection (8)(d), "relevant revenue" means the portion of taxes
1105 listed under Subsection (3)(a) that equals 3.68% of the revenue collected from taxes described
1106 in Subsections (8)(a)(i) through (iv).

1107 (v) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
1108 reduce the deposit under Subsection (8)(a) into the Transportation Investment Fund of 2005 by
1109 an amount equal to the amount of the deposit under this Subsection (8)(d) to the Cottonwood
1110 Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the

1111 limit in Subsection (8)(d)(vi).

1112 (vi) The commission shall annually deposit the amount described in Subsection
1113 (8)(d)(v) into the Cottonwood Canyons fund, subject to an annual maximum combined amount
1114 for any single fiscal year of \$20,000,000.

1115 (vii) If the amount of relevant revenue declines in a fiscal year compared to the
1116 previous fiscal year, the commission shall decrease the amount of the contribution to the
1117 Cottonwood Canyons fund under this Subsection (8)(d) in the same proportion as the decline in
1118 relevant revenue.

1119 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
1120 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
1121 created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

1122 (10) (a) Notwithstanding Subsection (3)(a), except as provided in Subsection (10)(b),
1123 and in addition to any amounts deposited under Subsections (6), (7), and (8), the Division of
1124 Finance shall deposit into the Transportation Investment Fund of 2005 created by Section
1125 72-2-124 the amount of revenue described as follows:

1126 (i) for fiscal year 2020-21 only, 33.33% of the amount of revenue generated by a .05%
1127 tax rate on the transactions described in Subsection (1); and

1128 (ii) for fiscal year 2021-22 only, 16.67% of the amount of revenue generated by a .05%
1129 tax rate on the transactions described in Subsection (1).

1130 (b) For purposes of Subsection (10)(a), the Division of Finance may not deposit into
1131 the Transportation Investment Fund of 2005 any tax revenue generated by amounts paid or
1132 charged for food and food ingredients, except for tax revenue generated by a bundled
1133 transaction attributable to food and food ingredients and tangible personal property other than
1134 food and food ingredients described in Subsection (2)(e).

1135 (11) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the
1136 fiscal year during which the Division of Finance receives notice under Section 63N-2-510 that
1137 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the Division of
1138 Finance shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue
1139 generated by the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund,
1140 created in Section 63N-2-512.

1141 (12) (a) The rate specified in this subsection is 0.15%.

1142 (b) Notwithstanding Subsection (3)(a), the Division of Finance shall, for a fiscal year
1143 beginning on or after July 1, 2019, annually transfer the amount of revenue collected from the
1144 rate described in Subsection (12)(a) on the transactions that are subject to the sales and use tax
1145 under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created in Section
1146 [26-36b-208](#).

1147 (13) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
1148 2020-21, the Division of Finance shall deposit \$200,000 into the General Fund as a dedicated
1149 credit solely for use of the Search and Rescue Financial Assistance Program created in, and
1150 expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

1151 (14) (a) For each fiscal year beginning with fiscal year 2020-21, the Division of
1152 Finance shall annually transfer \$1,813,400 of the revenue deposited into the Transportation
1153 Investment Fund of 2005 under Subsections (6) through (8) to the General Fund.

1154 (b) If the total revenue deposited into the Transportation Investment Fund of 2005
1155 under Subsections (6) through (8) is less than \$1,813,400 for a fiscal year, the Division of
1156 Finance shall transfer the total revenue deposited into the Transportation Investment Fund of
1157 2005 under Subsections (6) through (8) during the fiscal year to the General Fund.

1158 (15) Notwithstanding Subsection (3)(a), and as described in Section [63N-3-610](#),
1159 beginning the first day of the calendar quarter one year after the sales and use tax boundary for
1160 a housing and transit reinvestment zone is established, the commission, at least annually, shall
1161 transfer an amount equal to 15% of the sales and use tax increment within an established sales
1162 and use tax boundary, as defined in Section [63N-3-602](#), into the Transit Transportation
1163 Investment Fund created in Section [72-2-124](#).

1164 (16) Notwithstanding Subsection (3)(a), the Division of Finance shall, for a fiscal year
1165 beginning on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure
1166 Restricted Account, created in Section [51-9-902](#), a portion of the taxes listed under Subsection
1167 (3)(a) equal to 1% of the revenues collected from the following sales and use taxes:

1168 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1169 (b) the tax imposed by Subsection (2)(b)(i);

1170 (c) the tax imposed by Subsection (2)(c)(i); and

1171 (d) the tax imposed by Subsection (2)(e)(i)(A)(I).

1172 Section 9. Section [72-1-102](#) is amended to read:

1173 **72-1-102. Definitions.**

1174 As used in this title:

1175 (1) "Circulator alley" means a publicly owned passageway:

1176 (a) with a right-of-way width of 20 feet or greater;

1177 (b) located within a master planned community;

1178 (c) established by the city having jurisdictional authority as part of the street network

1179 for traffic circulation that may also be used for:

1180 (i) garbage collection;

1181 (ii) access to residential garages; or

1182 (iii) access rear entrances to a commercial establishment; and

1183 (d) constructed with a bituminous or concrete pavement surface.

1184 (2) "Commission" means the Transportation Commission created under Section

1185 [72-1-301](#).

1186 (3) "Construction" means the construction, reconstruction, replacement, and
1187 improvement of the highways, including the acquisition of rights-of-way and material sites.

1188 (4) "Department" means the Department of Transportation created in Section [72-1-201](#).

1189 (5) "Executive director" means the executive director of the department appointed
1190 under Section [72-1-202](#).

1191 (6) "Farm tractor" has the meaning set forth in Section [41-1a-102](#).

1192 (7) "Federal aid primary highway" means that portion of connected main highways
1193 located within this state officially designated by the department and approved by the United
1194 States Secretary of Transportation under Title 23, Highways, U.S.C.

1195 (8) "Fixed guideway" means the same as that term is defined in Section [59-12-102](#).

1196 (9) (a) "Fixed guideway capital development" means a project to construct or
1197 reconstruct a public transit fixed guideway facility that will add capacity to a fixed guideway
1198 public transit facility.

1199 (b) "Fixed guideway capital development" includes:

1200 (i) a project to strategically double track commuter rail lines; and

1201 (ii) a project to develop and construct public transit facilities and related infrastructure
1202 pertaining to the Point of the Mountain State Land Authority created in Section [11-59-201](#).

1203 (10) "Greenfield" means the same as that term is defined in Section [17C-1-102](#).

1204 ~~[(10)]~~ (11) "Highway" means any public road, street, alley, lane, court, place, viaduct,
1205 tunnel, culvert, bridge, or structure laid out or erected for public use, or dedicated or abandoned
1206 to the public, or made public in an action for the partition of real property, including the entire
1207 area within the right-of-way.

1208 ~~[(11)]~~ (12) "Highway authority" means the department or the legislative, executive, or
1209 governing body of a county or municipality.

1210 ~~[(12)]~~ (13) "Housing and transit reinvestment zone" means the same as that term is
1211 defined in Section [63N-3-602](#).

1212 ~~[(13)]~~ (14) "Implement of husbandry" has the meaning set forth in Section [41-1a-102](#).

1213 ~~[(14)]~~ (15) "Interstate system" means any highway officially designated by the
1214 department and included as part of the national interstate and defense highways, as provided in
1215 the Federal Aid Highway Act of 1956 and any supplemental acts or amendments.

1216 ~~[(15)]~~ (16) "Large public transit district" means the same as that term is defined in
1217 Section [17B-2a-802](#).

1218 ~~[(16)]~~ (17) "Limited-access facility" means a highway especially designated for
1219 through traffic, and over, from, or to which neither owners nor occupants of abutting lands nor
1220 other persons have any right or easement, or have only a limited right or easement of access,
1221 light, air, or view.

1222 ~~[(17)]~~ (18) "Master planned community" means a land use development:

1223 (a) designated by the city as a master planned community; and

1224 (b) comprised of a single development agreement for a development larger than 500
1225 acres.

1226 ~~[(18)]~~ (19) "Motor vehicle" has the same meaning set forth in Section [41-1a-102](#).

1227 ~~[(19)]~~ (20) "Municipality" has the same meaning set forth in Section [10-1-104](#).

1228 ~~[(20)]~~ (21) "National highway systems highways" means that portion of connected
1229 main highways located within this state officially designated by the department and approved
1230 by the United States Secretary of Transportation under Title 23, Highways, U.S.C.

1231 ~~[(21)]~~ (22) (a) "Port-of-entry" means a fixed or temporary facility constructed,
1232 operated, and maintained by the department where drivers, vehicles, and vehicle loads are
1233 checked or inspected for compliance with state and federal laws as specified in Section
1234 [72-9-501](#).

- 1235 (b) "Port-of-entry" includes inspection and checking stations and weigh stations.
1236 ~~[(22)]~~ (23) "Port-of-entry agent" means a person employed at a port-of-entry to perform
1237 the duties specified in Section [72-9-501](#).
- 1238 ~~[(23)]~~ (24) "Public transit" means the same as that term is defined in Section
1239 [17B-2a-802](#).
- 1240 ~~[(24)]~~ (25) "Public transit facility" means a fixed guideway, transit vehicle, transit
1241 station, depot, passenger loading or unloading zone, parking lot, or other facility:
1242 (a) leased by or operated by or on behalf of a public transit district; and
1243 (b) related to the public transit services provided by the district, including:
1244 (i) railway or other right-of-way;
1245 (ii) railway line; and
1246 (iii) a reasonable area immediately adjacent to a designated stop on a route traveled by
1247 a transit vehicle.
- 1248 ~~[(25)]~~ (26) "Right-of-way" means real property or an interest in real property, usually
1249 in a strip, acquired for or devoted to ~~[a highway]~~ state transportation purposes.
- 1250 ~~[(26)]~~ (27) "Sealed" does not preclude acceptance of electronically sealed and
1251 submitted bids or proposals in addition to bids or proposals manually sealed and submitted.
- 1252 ~~[(27)]~~ (28) "Semitrailer" has the meaning set forth in Section [41-1a-102](#).
- 1253 ~~[(28)]~~ (29) "SR" means state route and has the same meaning as state highway as
1254 defined in this section.
- 1255 ~~[(29)]~~ (30) "State highway" means those highways designated as state highways in
1256 Title 72, Chapter 4, Designation of State Highways Act.
- 1257 ~~[(30)]~~ (31) "State transportation purposes" has the meaning set forth in Section
1258 [72-5-102](#).
- 1259 ~~[(31)]~~ (32) "State transportation systems" means all streets, alleys, roads, highways,
1260 pathways, and thoroughfares of any kind, including connected structures, airports, aerial
1261 corridor infrastructure, spaceports, public transit facilities, and all other modes and forms of
1262 conveyance used by the public.
- 1263 ~~[(32)]~~ (33) "Trailer" has the meaning set forth in Section [41-1a-102](#).
- 1264 ~~[(33)]~~ (34) "Transportation reinvestment zone" means a transportation reinvestment
1265 zone created pursuant to Section [11-13-227](#).

1266 [~~(34)~~] (35) "Truck tractor" has the meaning set forth in Section 41-1a-102.

1267 [~~(35)~~] (36) "UDOT" means the Utah Department of Transportation.

1268 [~~(36)~~] (37) "Vehicle" has the same meaning set forth in Section 41-1a-102.

1269 Section 10. Section 72-1-202 is amended to read:

1270 **72-1-202. Executive director of department -- Appointment -- Qualifications --**
1271 **Term -- Responsibility -- Power to bring suits -- Salary.**

1272 (1) (a) The governor, with the advice and consent of the Senate, shall appoint an
1273 executive director to be the chief executive officer of the department.

1274 (b) The executive director shall be a registered professional engineer and qualified
1275 executive with technical and administrative experience and training appropriate for the
1276 position.

1277 (c) The executive director shall remain in office until a successor is appointed.

1278 (d) The executive director may be removed by the governor.

1279 (2) In addition to the other functions, powers, duties, rights, and responsibilities
1280 prescribed in this chapter, the executive director shall:

1281 (a) have responsibility for the administrative supervision of the state transportation
1282 systems and the various operations of the department;

1283 (b) have the responsibility for the implementation of rules, priorities, and policies
1284 established by the department and the commission;

1285 (c) have the responsibility for the oversight and supervision of[:]

1286 [(i)] any transportation project for which state funds are expended; [and]

1287 [(ii) ~~any fixed guideway capital development project within the boundaries of a large~~
1288 ~~public transit district for which any state funds are expended;]~~

1289 (d) have full power to bring suit in courts of competent jurisdiction in the name of the
1290 department as the executive director considers reasonable and necessary for the proper
1291 attainment of the goals of this chapter;

1292 (e) receive a salary, to be established by the governor within the salary range fixed by
1293 the Legislature in Title 67, Chapter 22, State Officer Compensation, together with actual
1294 traveling expenses while away from the executive director's office on official business;

1295 (f) purchase all equipment, services, and supplies necessary to achieve the department's
1296 functions, powers, duties, rights, and responsibilities delegated under Section 72-1-201;

1297 (g) have the responsibility to determine whether a purchase from, contribution to, or
1298 other participation with a public entity or association of public entities in a pooled fund
1299 program to acquire, develop, or share information, data, reports, or other services related to the
1300 department's mission are procurement items under Title 63G, Chapter 6a, Utah Procurement
1301 Code;

1302 (h) have responsibility for administrative supervision of the Comptroller Division, the
1303 Internal Audit Division, and the Communications Division; and

1304 (i) appoint assistants, to serve at the discretion of the executive director, to administer
1305 the divisions of the department.

1306 (3) The executive director may employ other assistants and advisers as the executive
1307 director finds necessary and fix salaries in accordance with the salary standards adopted by the
1308 Division of Human Resource Management.

1309 ~~[(4) (a) For a fixed guideway capital development project within the boundaries of a
1310 large public transit district for which state funds are expended, responsibilities of the executive
1311 director include:]~~

1312 ~~[(i) project development for a fixed guideway capital development project in a large
1313 public transit district;]~~

1314 ~~[(ii) oversight and coordination of planning, including:]~~

1315 ~~[(A) development of statewide strategic initiatives for planning across all modes of
1316 transportation;]~~

1317 ~~[(B) coordination with metropolitan planning organizations;]~~

1318 ~~[(C) coordination with a large public transit district, including planning, project
1319 development, outreach, programming, environmental studies and impact statements,
1320 construction, and impacts on public transit operations; and]~~

1321 ~~[(D) corridor and area planning;]~~

1322 ~~[(iii) programming and prioritization of fixed guideway capital development projects;]~~

1323 ~~[(iv) fulfilling requirements for environmental studies and impact statements; and]~~

1324 ~~[(v) resource investment, including identification, development, and oversight of
1325 public-private partnership opportunities.]~~

1326 ~~[(5) (a) Before October 31, 2022, the department shall submit to the Transportation
1327 Interim Committee a written plan for the department to assume management of all fixed~~

1328 ~~guideway capital development projects within a large public transit district for which state~~
1329 ~~funds are expended.]~~

1330 ~~[(b) The department shall consult with a large public transit district and relevant~~
1331 ~~metropolitan planning organizations in developing the plan described in Subsection (5)(a).]~~

1332 ~~[(c) The Transportation Interim Committee shall consider the plan submitted by the~~
1333 ~~department as described in Subsection (5)(a) and make recommendations to the Legislature~~
1334 ~~before December 1, 2022.]~~

1335 Section 11. Section **72-1-203** is amended to read:

1336 **72-1-203. Deputy director -- Appointment -- Qualifications -- Other assistants**
1337 **and advisers -- Salaries.**

1338 (1) The executive director shall appoint ~~[two]~~ the following deputy directors, who shall
1339 serve at the discretion of the executive director~~[-]~~:

1340 (a) the deputy director of engineering and operation, who shall be a registered
1341 professional engineer in the state, and who shall be the chief engineer of the department; and

1342 (b) the deputy director of planning and investment.

1343 ~~[(2)(a) The deputy director of engineering and operations shall be a registered~~
1344 ~~professional engineer in the state and is the chief engineer of the department.]~~

1345 ~~[(b) The deputy director of engineering and operations shall assist the executive~~
1346 ~~director with areas of responsibility that may include:]~~

1347 ~~[(i) project development, including statewide standards for project design and~~
1348 ~~construction, right-of-way, materials, testing, structures, and construction;]~~

1349 ~~[(ii) oversight of the management of the region offices described in Section [72-1-205](#);~~

1350 ~~[(iii) operations and traffic management;]~~

1351 ~~[(iv) oversight of operations of motor carriers and ports;]~~

1352 ~~[(v) transportation systems safety;]~~

1353 ~~[(vi) aeronautical operations; and]~~

1354 ~~[(vii) equipment for department engineering and maintenance functions.]~~

1355 ~~[(c) The deputy director of planning and investment shall assist the executive director~~
1356 ~~with areas of responsibility that may include:]~~

1357 ~~[(i) oversight and coordination of planning, including:]~~

1358 ~~[(A) development of statewide strategic initiatives for planning across all modes of~~

1359 transportation;]

1360 [~~(B) coordination with metropolitan planning organizations and local governments;~~

1361 and]

1362 [~~(C) corridor and area planning;~~

1363 [~~(ii) asset management;~~

1364 [~~(iii) programming and prioritization of transportation projects;~~

1365 [~~(iv) fulfilling requirements for environmental studies and impact statements;~~

1366 [~~(v) resource investment, including identification, development, and oversight of~~

1367 public-private partnership opportunities;]

1368 [~~(vi) data analytics services to the department;~~

1369 [~~(vii) corridor preservation;~~

1370 [~~(viii) employee development;~~

1371 [~~(ix) maintenance planning; and]~~

1372 [~~(x) oversight and facilitation of the negotiations and integration of public transit~~

1373 providers described in Section [17B-2a-827](#).]

1374 (2) As assigned by the executive director, the deputy directors described in Subsection

1375 (1) may assist the executive director with the following departmental responsibilities:

1376 (a) project development, including statewide standards for project design and

1377 construction, right-of-way, materials, testing, structures, and construction;

1378 (b) oversight of the management of the region offices described in Section [72-1-205](#);

1379 (c) operations and traffic management;

1380 (d) oversight of operations of motor carriers and ports;

1381 (e) transportation systems safety;

1382 (f) aeronautical operations;

1383 (g) equipment for department engineering and maintenance functions;

1384 (h) oversight and coordination of planning, including:

1385 (i) development of statewide strategic initiatives for planning across all modes of

1386 transportation;

1387 (ii) coordination with metropolitan planning organizations and local governments;

1388 (iii) coordination with a large public transit district, including planning, project

1389 development, outreach, programming, environmental studies and impact statements,

- 1390 construction, and impacts on public transit operations; and
- 1391 (iv) corridor and area planning;
- 1392 (i) asset management;
- 1393 (j) programming and prioritization of transportation projects;
- 1394 (k) fulfilling requirements for environmental studies and impact statements;
- 1395 (l) resource investment, including identification, development, and oversight of
- 1396 public-private partnership opportunities;
- 1397 (m) data analytics services to the department;
- 1398 (n) corridor preservation;
- 1399 (o) employee development;
- 1400 (p) maintenance planning;
- 1401 (q) oversight and facilitation of the negotiations and integration of public transit
- 1402 providers described in Section [17B-2a-827](#);
- 1403 (r) oversight and supervision of any fixed guideway capital development project within
- 1404 the boundaries of a large public transit district for which any state funds are expended,
- 1405 including those responsibilities described in Subsections (2)(a), (h), (j), (k), and (l); and
- 1406 (s) other departmental responsibilities as determined by the executive director.
- 1407 (3) The executive director shall ensure that the same deputy director does not oversee
- 1408 or supervise both the fixed guideway capital development responsibilities described in
- 1409 Subsection (2)(r) and the department's fixed guideway rail safety responsibilities, including the
- 1410 responsibilities described in Section [72-1-214](#).
- 1411 Section 12. Section **72-1-213.2** is amended to read:
- 1412 **72-1-213.2. Road Usage Charge Program Special Revenue Fund -- Revenue.**
- 1413 (1) There is created [a] an expendable special revenue fund within the Transportation
- 1414 Fund known as the "Road Usage Charge Program Special Revenue Fund."
- 1415 (2) (a) The fund shall be funded from the following sources:
- 1416 (i) revenue collected by the department under Section [72-1-213.1](#);
- 1417 (ii) appropriations made to the fund by the Legislature;
- 1418 (iii) contributions from other public and private sources for deposit into the fund;
- 1419 (iv) interest earnings on cash balances; and
- 1420 (v) money collected for repayments and interest on fund money.

1421 (b) If the revenue derived from the sources described in Subsection (2)(a) is
1422 insufficient to cover the costs of administering the road usage charge program, subject to
1423 Subsection [72-2-107](#)(1), the department may transfer into the fund revenue deposited into the
1424 Transportation Fund from the fee described in Subsections [41-1a-1206](#)(1)(h) and (2)(b) in an
1425 amount sufficient to enable the department to administer the road usage charge program.

1426 (3) (a) Revenue generated by the road usage charge program and relevant penalties
1427 shall be deposited into the Road Usage Charge Program Special Revenue Fund.

1428 (b) Revenue in the Road Usage Charge Program Special Revenue Fund is nonlapsing.

1429 (4) [~~Upon appropriation by the Legislature, the~~] The department may use revenue
1430 deposited into the Road Usage Charge Program Special Revenue Fund:

1431 (a) to cover the costs of administering the program; and

1432 (b) for [~~state transportation purposes~~] the purposes described in Subsection (5).

1433 (5) If revenue collected by the department under Section [72-1-213.1](#) in a fiscal year is
1434 sufficient to cover all costs related to administering the road usage charge program in that fiscal
1435 year, the department shall deposit any excess revenue collected by the department under
1436 Section [72-1-213.1](#) from the Road Usage Charge Program Special Revenue Fund into the
1437 Transportation Fund for appropriation and apportionment in accordance with Section [72-2-107](#).

1438 Section 13. Section **72-1-304** is amended to read:

1439 **72-1-304. Written project prioritization process for new transportation capacity**
1440 **projects -- Rulemaking.**

1441 (1) (a) The Transportation Commission, in consultation with the department and the
1442 metropolitan planning organizations as defined in Section [72-1-208.5](#), shall develop a written
1443 prioritization process for the prioritization of:

1444 (i) new transportation capacity projects that are or will be part of the state highway
1445 system under Chapter 4, Part 1, State Highways;

1446 (ii) paved pedestrian or paved nonmotorized transportation projects [~~that:~~] described in
1447 Section [72-2-124](#);

1448 [~~(A) mitigate traffic congestion on the state highway system; and]~~

1449 [~~(B) are part of an active transportation plan approved by the department;]~~

1450 (iii) public transit projects that directly add capacity to the public transit systems within
1451 the state, not including facilities ancillary to the public transit system; and

1452 (iv) pedestrian or nonmotorized transportation projects that provide connection to a
1453 public transit system.

1454 (b) (i) A local government or district may nominate a project for prioritization in
1455 accordance with the process established by the commission in rule.

1456 (ii) If a local government or district nominates a project for prioritization by the
1457 commission, the local government or district shall provide data and evidence to show that:

1458 (A) the project will advance the purposes and goals described in Section 72-1-211;

1459 (B) for a public transit project, the local government or district has an ongoing funding
1460 source for operations and maintenance of the proposed development; and

1461 (C) the local government or district will provide 40% of the costs for the project as
1462 required by Subsection 72-2-124(4)(a)(viii) or 72-2-124(9)(e).

1463 (2) The following shall be included in the written prioritization process under
1464 Subsection (1):

1465 (a) a description of how the strategic initiatives of the department adopted under
1466 Section 72-1-211 are advanced by the written prioritization process;

1467 (b) a definition of the type of projects to which the written prioritization process
1468 applies;

1469 (c) specification of a weighted criteria system that is used to rank proposed projects
1470 and how it will be used to determine which projects will be prioritized;

1471 (d) specification of the data that is necessary to apply the weighted ranking criteria; and

1472 (e) any other provisions the commission considers appropriate, which may include
1473 consideration of:

1474 (i) regional and statewide economic development impacts, including improved local
1475 access to:

1476 (A) employment;

1477 (B) educational facilities;

1478 (C) recreation;

1479 (D) commerce; and

1480 (E) residential areas, including moderate income housing as demonstrated in the local
1481 government's or district's general plan pursuant to Section 10-9a-403 or 17-27a-403;

1482 (ii) the extent to which local land use plans relevant to a project support and

1483 accomplish the strategic initiatives adopted under Section 72-1-211; and

1484 (iii) any matching funds provided by a political subdivision or public transit district in
1485 addition to the 40% required by Subsections 72-2-124(4)(a)(viii) and 72-2-124(9)(e).

1486 (3) (a) When prioritizing a public transit project that increases capacity, the
1487 commission:

1488 (i) may give priority consideration to projects that are part of a transit-oriented
1489 development or transit-supportive development as defined in Section 17B-2a-802; and

1490 (ii) shall give priority consideration to projects that are within the boundaries of a
1491 housing and transit reinvestment zone created pursuant to Title 63N, Chapter 3, Part 6,
1492 Housing and Transit Reinvestment Zone Act.

1493 (b) When prioritizing a transportation project that increases capacity, the commission
1494 may give priority consideration to projects that are:

1495 (i) part of a transportation reinvestment zone created under Section 11-13-227 if:

1496 (A) the state is a participant in the transportation reinvestment zone; or

1497 (B) the commission finds that the transportation reinvestment zone provides a benefit
1498 to the state transportation system; or

1499 (ii) within the boundaries of a housing and transit reinvestment zone created pursuant
1500 to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.

1501 (c) If the department receives a notice of prioritization for a municipality as described
1502 in Subsection 10-9a-408(5), or a notice of prioritization for a county as described in Subsection
1503 17-27a-408(5), the commission may, during the fiscal year specified in the notice, give priority
1504 consideration to transportation projects that are within the boundaries of the municipality or the
1505 unincorporated areas of the county.

1506 (4) In developing the written prioritization process, the commission:

1507 (a) shall seek and consider public comment by holding public meetings at locations
1508 throughout the state; and

1509 (b) may not consider local matching dollars as provided under Section 72-2-123 unless
1510 the state provides an equal opportunity to raise local matching dollars for state highway
1511 improvements within each county.

1512 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1513 Transportation Commission, in consultation with the department, shall make rules establishing

1514 the written prioritization process under Subsection (1).

1515 (6) The commission shall submit the proposed rules under this section to a committee
1516 or task force designated by the Legislative Management Committee for review prior to taking
1517 final action on the proposed rules or any proposed amendment to the rules described in
1518 Subsection (5).

1519 Section 14. Section **72-1-305** is amended to read:

1520 **72-1-305. Project selection using the written prioritization process -- Public**
1521 **comment -- Report.**

1522 (1) Except as provided in Subsection (4), in determining priorities and funding levels
1523 of projects in the state transportation system under Subsection [72-1-303\(1\)\(a\)](#) that are new
1524 transportation capacity projects, the commission shall use the weighted criteria system adopted
1525 in the written prioritization process under Section [72-1-304](#).

1526 (2) Prior to finalizing priorities and funding levels of projects in the state transportation
1527 system, the commission shall conduct public hearings at locations around the state and accept
1528 public comments on:

1529 (a) the written prioritization process;

1530 (b) the merits of new transportation capacity projects that will be prioritized under this
1531 section; and

1532 (c) the merits of new transportation capacity projects as recommended by a consensus
1533 of local elected officials participating in a metropolitan planning organization as defined in
1534 Section [72-1-208.5](#).

1535 (3) The commission shall make the weighted criteria system ranking for each project
1536 publicly available prior to the public hearings held under Subsection (2).

1537 (4) (a) If the commission prioritizes a project over another project with a higher rank
1538 under the weighted criteria system, the commission shall identify the change and accept public
1539 comment at a hearing held under this section on the merits of prioritizing the project above
1540 higher ranked projects.

1541 (b) The commission shall make the reasons for the prioritization under Subsection
1542 (4)(a) publicly available.

1543 (5) (a) The executive director or the executive director's designee shall report annually
1544 to the governor and a committee designated by the Legislative Management Committee no later

1545 than the last day of October:

1546 (i) the projects prioritized under this section during the year prior to the report; and

1547 (ii) the status and progress of all projects prioritized under this section.

1548 (b) Annually, before any funds are programmed and allocated from the Transit

1549 Transportation Investment Fund created in Section 72-2-124 for each fiscal year, the executive

1550 director or the executive director's designee, along with the executive director of a large public

1551 transit district as described in Section 17B-2a-802, shall report to the governor and a committee

1552 designated by the Legislative Management Committee no later than the last day of October:

1553 (i) the public transit projects prioritized under this section during the year prior to the

1554 report; and

1555 (ii) the status and progress of all public transit projects prioritized under this section.

1556 (6) The department shall annually report to the Transportation Commission on the

1557 status of new capacity transportation projects, including projects that were funded by the

1558 Legislature in an appropriations act.

1559 ~~[(6)(a) The department may not delay a new transportation capacity project that was~~

1560 ~~funded by the Legislature in an appropriations act to a different fiscal year than programmed by~~

1561 ~~the commission due to an unavoidable shortfall in revenues unless the project delays are~~

1562 ~~prioritized and approved by the Transportation Commission.]~~

1563 ~~[(b) The Transportation Commission shall prioritize and approve any new~~

1564 ~~transportation capacity project delays for projects that were funded by the Legislature in an~~

1565 ~~appropriations act due to an unavoidable shortfall in revenues.]~~

1566 Section 15. Section 72-2-106 is amended to read:

1567 **72-2-106. Appropriation and transfers from Transportation Fund.**

1568 (1) On and after July 1, 1981, there is appropriated from the Transportation Fund to the

1569 use of the department an amount equal to two-elevenths of the taxes collected from the motor

1570 fuel tax and the special fuel tax, exclusive of the formula amount appropriated for class B and

1571 class C roads, to be used for highway rehabilitation.

1572 (2) For a fiscal year beginning on or after July 1, 2016, the Division of Finance shall

1573 annually transfer an amount equal to the amount of revenue generated by a tax imposed on

1574 motor and special fuel that is sold, used, or received for sale or used in this state at a rate of 1.8

1575 cents per gallon to the Transportation Investment Fund of 2005 created by Section 72-2-124.

1576 (3) For a fiscal year beginning on or after July 1, 2019, the Division of Finance shall
1577 annually transfer to the Transportation Investment Fund of 2005 created by Section [72-2-124](#)
1578 an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by
1579 the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale
1580 or use in this state that exceeds 29.4 cents per gallon.

1581 (4) For purposes of the calculation described in Subsection [59-12-103\(7\)\(c\)](#), the
1582 Division of Finance shall notify the State Tax Commission of the amount of any transfer made
1583 under Subsections (2) and (3).

1584 Section 16. Section [72-2-107](#) is amended to read:

1585 **[72-2-107. Appropriation from Transportation Fund -- Apportionment for class B](#)**
1586 **[and class C roads.](#)**

1587 (1) There is appropriated to the department from the Transportation Fund annually an
1588 amount equal to 30% of an amount which the director of finance shall compute in the
1589 following manner: The total revenue deposited into the Transportation Fund during the fiscal
1590 year from state highway-user taxes and fees, minus those amounts appropriated or transferred
1591 from the Transportation Fund during the same fiscal year to:

1592 (a) the Department of Public Safety;

1593 (b) the State Tax Commission;

1594 (c) the Division of Finance;

1595 (d) the Utah Travel Council;

1596 (e) except as provided in Section [72-1-213.2](#), the road usage charge program created in
1597 Section [72-1-213.1](#); and

1598 (f) any other amounts appropriated or transferred for any other state agencies not a part
1599 of the department.

1600 (2) (a) Except as provided in Subsections (2)(b) and (c), all of the money appropriated
1601 in Subsection (1) shall be apportioned among counties and municipalities for class B and class
1602 C roads as provided in this title.

1603 (b) The department shall annually transfer \$500,000 of the amount calculated under
1604 Subsection (1) to the State Park Access Highways Improvement Program created in Section
1605 [72-3-207](#).

1606 (c) Administrative costs of the department to administer class B and class C roads shall

1607 be paid from funds calculated under Subsection (1).

1608 (3) Each quarter of every year the department shall make the necessary accounting
1609 entries to transfer the money appropriated under this section for class B and class C roads.

1610 (4) The funds appropriated for class B and class C roads shall be expended under the
1611 direction of the department as the Legislature shall provide.

1612 Section 17. Section **72-2-123** is amended to read:

1613 **72-2-123. Rules adopting guidelines -- Partnering to finance state highway**
1614 **capacity improvements -- Partnering proposals.**

1615 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1616 commission, in consultation with representatives of local government, shall make rules
1617 adopting guidelines for partnering with counties and municipalities for their help to finance
1618 state highway improvement projects through:

1619 (a) local matching dollars; ~~or~~

1620 (b) agreements regarding new revenue a county or municipality expects will be
1621 generated as a result of the construction of a state highway improvement project; or

1622 ~~(b)~~ (c) other local participation methods.

1623 (2) The guidelines described in Subsection (1) shall encourage partnering to help
1624 finance state highway improvement projects and provide for:

1625 (a) the consideration of factors relevant to a decision to make a program adjustment
1626 including the potential to:

1627 (i) extend department resources to other needed projects;

1628 (ii) alleviate significant existing or future congestion or hazards to the traveling public;

1629 and

1630 (iii) address a need that is widely recognized by the public, elected officials, and
1631 transportation planners;

1632 (b) a process for submitting, evaluating, and hearing partnering proposals; and

1633 (c) ~~keeping~~ the creation of a public record of each proposal from initial submission to
1634 final disposition.

1635 (3) The commission shall submit the proposed rules under this section to a committee
1636 or task force designated by the Legislative Management Committee for review prior to taking
1637 final action on the proposed rules or any proposed amendment to the rules.

1638 Section 18. Section 72-2-124 is amended to read:

1639 **72-2-124. Transportation Investment Fund of 2005.**

1640 (1) There is created a capital projects fund entitled the Transportation Investment Fund
1641 of 2005.

1642 (2) The fund consists of money generated from the following sources:

1643 (a) any voluntary contributions received for the maintenance, construction,
1644 reconstruction, or renovation of state and federal highways;

1645 (b) appropriations made to the fund by the Legislature;

1646 (c) registration fees designated under Section 41-1a-1201;

1647 (d) the sales and use tax revenues deposited into the fund in accordance with Section
1648 59-12-103; and

1649 (e) revenues transferred to the fund in accordance with Section 72-2-106.

1650 (3) (a) The fund shall earn interest.

1651 (b) All interest earned on fund money shall be deposited into the fund.

1652 (4) (a) Except as provided in Subsection (4)(b), the executive director may only use
1653 fund money to pay:

1654 (i) the costs of maintenance, construction, reconstruction, or renovation to state and
1655 federal highways prioritized by the Transportation Commission through the prioritization
1656 process for new transportation capacity projects adopted under Section 72-1-304;

1657 (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway
1658 projects described in Subsections 63B-18-401(2), (3), and (4);

1659 (iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401
1660 minus the costs paid from the County of the First Class Highway Projects Fund in accordance
1661 with Subsection 72-2-121(4)(e);

1662 (iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt
1663 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount certified
1664 by Salt Lake County in accordance with Subsection 72-2-121.3(4)(c) as necessary to pay the
1665 debt service on \$30,000,000 of the revenue bonds issued by Salt Lake County;

1666 (v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101
1667 for projects prioritized in accordance with Section 72-2-125;

1668 (vi) all highway general obligation bonds that are intended to be paid from revenues in

1669 the Centennial Highway Fund created by Section 72-2-118;

1670 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First

1671 Class Highway Projects Fund created in Section 72-2-121 to be used for the purposes described

1672 in Section 72-2-121;

1673 (viii) if a political subdivision provides a contribution equal to or greater than 40% of

1674 the costs needed for construction, reconstruction, or renovation of paved pedestrian or paved

1675 nonmotorized transportation for projects that:

1676 (A) mitigate traffic congestion on the state highway system;

1677 (B) are part of an active transportation plan approved by the department; and

1678 (C) are prioritized by the commission through the prioritization process for new

1679 transportation capacity projects adopted under Section 72-1-304;

1680 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction,

1681 reconstruction, or renovation of or improvement to the following projects:

1682 (A) the connector road between Main Street and 1600 North in the city of Vineyard;

1683 (B) Geneva Road from University Parkway to 1800 South;

1684 (C) the SR-97 interchange at 5600 South on I-15;

1685 (D) two lanes on U-111 from Herriman Parkway to 11800 South;

1686 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;

1687 (F) improvements to 1600 North in Orem from 1200 West to State Street;

1688 (G) widening I-15 between mileposts 6 and 8;

1689 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;

1690 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197 in

1691 Spanish Fork Canyon;

1692 (J) I-15 northbound between mileposts 43 and 56;

1693 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts 43

1694 and 45.1;

1695 (L) east Zion SR-9 improvements;

1696 (M) Toquerville Parkway;

1697 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;

1698 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds, for

1699 construction of an interchange on Bangerter Highway at 13400 South; and

1700 (P) an environmental impact study for Kimball Junction in Summit County; and
1701 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project
1702 costs based upon a statement of cash flow that the local jurisdiction where the project is located
1703 provides to the department demonstrating the need for money for the project, for the following
1704 projects in the following amounts:

- 1705 (A) \$5,000,000 for Payson Main Street repair and replacement;
- 1706 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
- 1707 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
- 1708 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S. 40
1709 between mile markers 7 and 10.

1710 (b) The executive director may use fund money to exchange for an equal or greater
1711 amount of federal transportation funds to be used as provided in Subsection (4)(a).

1712 (5) (a) Except as provided in Subsection (5)(b), if the department receives a notice of
1713 ineligibility for a municipality as described in Subsection 10-9a-408(7), the executive director
1714 may not program fund money to a project prioritized by the commission under Section
1715 72-1-304, including fund money from the Transit Transportation Investment Fund, within the
1716 boundaries of the municipality during the fiscal year specified in the notice.

1717 (b) Within the boundaries of a municipality described in Subsection (5)(a), the
1718 executive director:

1719 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access
1720 facility or interchange connecting limited-access facilities;

1721 (ii) may not program fund money for the construction, reconstruction, or renovation of
1722 an interchange on a limited-access facility;

1723 (iii) may program Transit Transportation Investment Fund money for a
1724 multi-community fixed guideway public transportation project; and

1725 (iv) may not program Transit Transportation Investment Fund money for the
1726 construction, reconstruction, or renovation of a station that is part of a fixed guideway public
1727 transportation project.

1728 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
1729 director before July 1, 2022, for projects prioritized by the commission under Section
1730 72-1-304.

1731 (6) (a) Except as provided in Subsection (6)(b), if the department receives a notice of
1732 ineligibility for a county as described in Subsection 17-27a-408(7), the executive director may
1733 not program fund money to a project prioritized by the commission under Section 72-1-304,
1734 including fund money from the Transit Transportation Investment Fund, within the boundaries
1735 of the unincorporated area of the county during the fiscal year specified in the notice.

1736 (b) Within the boundaries of the unincorporated area of a county described in
1737 Subsection (6)(a), the executive director:

1738 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access
1739 facility to a project prioritized by the commission under Section 72-1-304;

1740 (ii) may not program fund money for the construction, reconstruction, or renovation of
1741 an interchange on a limited-access facility;

1742 (iii) may program Transit Transportation Investment Fund money for a
1743 multi-community fixed guideway public transportation project; and

1744 (iv) may not program Transit Transportation Investment Fund money for the
1745 construction, reconstruction, or renovation of a station that is part of a fixed guideway public
1746 transportation project.

1747 (c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive
1748 director before July 1, 2022, for projects prioritized by the commission under Section
1749 72-1-304.

1750 (7) (a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued
1751 in any fiscal year, the department and the commission shall appear before the Executive
1752 Appropriations Committee of the Legislature and present the amount of bond proceeds that the
1753 department needs to provide funding for the projects identified in Subsections 63B-18-401(2),
1754 (3), and (4) or Subsection 63B-27-101(2) for the current or next fiscal year.

1755 (b) The Executive Appropriations Committee of the Legislature shall review and
1756 comment on the amount of bond proceeds needed to fund the projects.

1757 (8) The Division of Finance shall, from money deposited into the fund, transfer the
1758 amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by
1759 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt service or
1760 sinking fund.

1761 (9) (a) There is created in the Transportation Investment Fund of 2005 the Transit

1762 Transportation Investment Fund.

1763 (b) The fund shall be funded by:

1764 (i) contributions deposited into the fund in accordance with Section 59-12-103;

1765 (ii) appropriations into the account by the Legislature;

1766 (iii) deposits of sales and use tax increment related to a housing and transit

1767 reinvestment zone as described in Section 63N-3-610;

1768 (iv) private contributions; and

1769 (v) donations or grants from public or private entities.

1770 (c) (i) The fund shall earn interest.

1771 (ii) All interest earned on fund money shall be deposited into the fund.

1772 (d) Subject to Subsection (9)(e), the [~~Legislature may appropriate~~] commission may
1773 prioritize money from the fund:

1774 (i) for public transit capital development of new capacity projects and fixed guideway
1775 capital development projects to be used as prioritized by the commission through the
1776 prioritization process adopted under Section 72-1-304; or

1777 [~~(ii) for development of the oversight plan described in Section 72-1-202(5); or]~~

1778 [~~(iii)~~] (ii) to the department for oversight of a fixed guideway capital development
1779 project for which the department has responsibility.

1780 (e) (i) The [~~Legislature~~] commission may only [~~appropriate~~] prioritize money from the
1781 fund for a public transit capital development project or pedestrian or nonmotorized
1782 transportation project that provides connection to the public transit system if the public transit
1783 district or political subdivision provides funds of equal to or greater than 40% of the costs
1784 needed for the project.

1785 (ii) A public transit district or political subdivision may use money derived from a loan
1786 granted pursuant to Title 72, Chapter 2, Part 2, State Infrastructure Bank Fund, to provide all or
1787 part of the 40% requirement described in Subsection (9)(e)(i) if:

1788 (A) the loan is approved by the commission as required in Title 72, Chapter 2, Part 2,
1789 State Infrastructure Bank Fund; and

1790 (B) the proposed capital project has been prioritized by the commission pursuant to
1791 Section 72-1-303.

1792 (f) Before July 1, 2022, the department and a large public transit district shall enter into

1793 an agreement for a large public transit district to pay the department \$5,000,000 per year for 15
1794 years to be used to facilitate the purchase of zero emissions or low emissions rail engines and
1795 trainsets for regional public transit rail systems.

1796 (10) (a) There is created in the Transportation Investment Fund of 2005 the
1797 Cottonwood Canyons Transportation Investment Fund.

1798 (b) The fund shall be funded by:

1799 (i) money deposited into the fund in accordance with Section [59-12-103](#);

1800 (ii) appropriations into the account by the Legislature;

1801 (iii) private contributions; and

1802 (iv) donations or grants from public or private entities.

1803 (c) (i) The fund shall earn interest.

1804 (ii) All interest earned on fund money shall be deposited into the fund.

1805 (d) The Legislature may appropriate money from the fund for public transit or
1806 transportation projects in the Cottonwood Canyons of Salt Lake County.

1807 (11) (a) There is created in the Transportation Investment Fund of 2005 the Active
1808 Transportation Investment Fund.

1809 (b) The fund shall be funded by:

1810 (i) money deposited into the fund in accordance with Section [59-12-103](#);

1811 (ii) appropriations into the account by the Legislature; and

1812 (iii) donations or grants from public or private entities.

1813 (c) (i) The fund shall earn interest.

1814 (ii) All interest earned on fund money shall be deposited into the fund.

1815 (d) The executive director may only use fund money to pay the costs needed for:

1816 (i) the planning, design, construction, maintenance, reconstruction, or renovation of
1817 paved pedestrian or paved nonmotorized trail projects that:

1818 (A) are prioritized by the commission through the prioritization process for new
1819 transportation capacity projects adopted under Section [72-1-304](#);

1820 (B) serve a regional purpose; and

1821 (C) are part of an active transportation plan approved by the department or the plan
1822 described in Subsection (11)(d)(ii);

1823 (ii) the development of a plan for a statewide network of paved pedestrian or paved

1824 nonmotorized trails that serve a regional purpose; and

1825 (iii) the administration of the fund, including staff and overhead costs.

1826 Section 19. Section **72-2-202** is amended to read:

1827 **72-2-202. State Infrastructure Bank Fund -- Creation -- Use of money.**

1828 (1) There is created a revolving loan fund entitled the State Infrastructure Bank Fund.

1829 (2) (a) The fund consists of money generated from the following revenue sources:

1830 (i) appropriations made to the fund by the Legislature;

1831 (ii) federal money and grants that are deposited [in] into the fund;

1832 (iii) money transferred to the fund by the commission from other money available to
1833 the department;

1834 (iv) state grants that are deposited [in] into the fund;

1835 (v) contributions or grants from any other private or public sources for deposit into the
1836 fund; and

1837 (vi) subject to Subsection (2)(b), all money collected from repayments of fund money
1838 used for infrastructure loans or infrastructure assistance.

1839 (b) When a loan from the fund is repaid, the department may request and the
1840 Legislature may transfer from the fund to the source from which the money originated an
1841 amount equal to the repaid loan.

1842 (3) (a) The fund shall earn interest.

1843 (b) All interest earned on fund money shall be deposited into the fund.

1844 (4) Money in the fund shall be used by the department, as prioritized by the
1845 commission, only to:

1846 (a) provide infrastructure loans or infrastructure assistance; and

1847 (b) pay the department for the costs of administering the fund, providing infrastructure
1848 loans or infrastructure assistance, monitoring transportation projects and publicly owned
1849 infrastructure projects, and obtaining repayments of infrastructure loans or infrastructure
1850 assistance.

1851 (5) (a) The department may establish separate accounts in the fund for infrastructure
1852 loans, infrastructure assistance, administrative and operating expenses, or any other purpose to
1853 implement this part.

1854 (b) The department shall establish a separate account in the fund for infrastructure

1855 loans for publicly owned infrastructure projects in greenfield areas that are located no less than
1856 one mile from an existing municipal or county:

1857 (i) water supply;

1858 (ii) water distribution facility; or

1859 (iii) wastewater facility.

1860 (c) Prioritization of infrastructure loans described in Subsection (5)(b) shall follow the
1861 same process as described in Section [72-2-203](#).

1862 ~~[(b)]~~ (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
1863 Act, the department may make rules governing how the fund and its accounts may be held by
1864 an escrow agent.

1865 (6) Fund money shall be invested by the state treasurer as provided in Title 51, Chapter
1866 7, State Money Management Act, and the earnings from the investments shall be credited to the
1867 fund.

1868 (7) Before July 1, 2022, the department shall transfer the loan described in Subsection
1869 [63B-27-101\(3\)\(a\)\(i\)](#) from the State Infrastructure Bank Fund to the military development
1870 infrastructure revolving loan fund created in Section [63A-3-402](#).

1871 Section 20. Section **72-5-102** is amended to read:

1872 **72-5-102. Definitions.**

1873 As used in this part, "state transportation purposes" includes:

1874 (1) highway, public transit facility, and transportation rights-of-way, including those
1875 necessary within cities and towns;

1876 (2) the construction, reconstruction, relocation, improvement, maintenance, and
1877 mitigation from the effects of these activities on state highways and other transportation
1878 facilities, including parking facilities, under the control of the department;

1879 (3) limited access facilities, including rights of access, air, light, and view and frontage
1880 and service roads to highways;

1881 (4) adequate drainage in connection with any highway, cut, fill, or channel change and
1882 the maintenance of any highway, cut, fill, or channel change;

1883 (5) weighing stations, shops, offices, storage buildings and yards, and road
1884 maintenance or construction sites;

1885 (6) road material sites, sites for the manufacture of road materials, and access roads to

1886 the sites;

1887 (7) the maintenance of an unobstructed view of any portion of a highway to promote
1888 the safety of the traveling public;

1889 (8) the placement of traffic signals, directional signs, and other signs, fences, curbs,
1890 barriers, and obstructions for the convenience of the traveling public;

1891 (9) the construction and maintenance of storm sewers, sidewalks, and highway
1892 illumination;

1893 (10) the construction and maintenance of livestock highways;

1894 (11) the construction and maintenance of roadside rest areas adjacent to or near any
1895 highway; and

1896 (12) the mitigation of impacts from transportation projects.

1897 Section 21. Section **72-5-114** is amended to read:

1898 **72-5-114. Property acquired in advance of construction -- Lease or rental.**

1899 (1) (a) The department may acquire real property or interests or improvements in real
1900 property in advance of the actual construction, reconstruction, or improvement of highways or
1901 public transit facilities in order to save on acquisition costs or avoid the payment of excessive
1902 damages.

1903 (b) The real property or interests or improvements in real property may be leased or
1904 rented by the department in a manner, for a period of time, and for a sum determined by the
1905 department to be in the best interest of the state.

1906 (2) (a) The department may employ private agencies to manage rental properties when
1907 it is more economical and in the best interests of the state.

1908 (b) All money received for leases and rentals, after deducting any portion to which the
1909 federal government may be entitled, shall be deposited with the state treasurer and credited to
1910 the Transportation Fund.

1911 Section 22. Section **72-6-112.5** is amended to read:

1912 **72-6-112.5. Definitions -- Nighttime highway construction noise -- Exemptions --**
1913 **Permits.**

1914 (1) As used in this section:

1915 (a) "Commuter rail" means the same as that term is defined in Section [63N-3-602](#).

1916 [~~(a)~~] (b) (i) "Front row receptor" means a noise-sensitive residential receptor that is:

1917 (A) immediately adjacent to a transportation facility; or

1918 (B) within 800 feet of a transportation facility that is within a commercial or
1919 industrialized area.

1920 (ii) "Front row receptor" includes a residence that is contiguous to a property
1921 immediately adjacent to a transportation facility in a residential area.

1922 ~~[(b)]~~ (c) "Nighttime ~~[highway]~~ construction" means highway or public transit facility
1923 construction occurring between the hours of 10:00 p.m. and 7:00 a.m.

1924 ~~[(c)]~~ (d) "Nuisance" means the same as that term is defined in Section [78B-6-1101](#).

1925 ~~[(d)]~~ (e) (i) "Permitted activities" means activities occurring between the hours of 7:00
1926 p.m. and 7:00 a.m. that are related to and necessary for nighttime ~~[highway]~~ construction,
1927 whether occurring at the construction site or at a gravel pit or other site for production of raw
1928 materials, and includes:

1929 (A) loading and unloading of trucks;

1930 (B) asphalt mixing and hauling; and

1931 (C) concrete mixing and hauling.

1932 (ii) "Permitted activities" does not include:

1933 (A) blasting; or

1934 (B) crushing.

1935 ~~[(2) A state highway construction project conducted on a road where the normal posted~~
1936 ~~speed limit is 55 miles per hour or greater is exempt from any noise ordinance, regulation, or~~
1937 ~~standard of a local jurisdictional authority.]~~

1938 (2) The following projects are exempt from any noise ordinance, regulation, or
1939 standard of a local jurisdictional authority:

1940 (a) a state highway construction project conducted on a road where the normal posted
1941 speed limit is 55 miles per hour or greater; or

1942 (b) a commuter rail construction project.

1943 ~~(3) [A state highway construction project conducted on a road where the normal posted~~
1944 ~~speed limit is less than 55 miles per hour is]~~ Except for a project described in Subsection (2), a
1945 state highway or a public transit facility construction project is exempt from any noise
1946 ordinance, regulation, or standard of a local jurisdictional authority if the department:

1947 (a) provides reasonable written notice at least 48 hours in advance of any required

1948 nighttime [highway] construction to each residential dwelling located within front row
1949 receptors of the activity;

1950 (b) determines a net community, including traveler community, benefit exists to
1951 conduct nighttime highway construction after considering the following:

1952 (i) public health;
1953 (ii) project completion time;
1954 (iii) air quality;
1955 (iv) traffic;
1956 (v) economics;
1957 (vi) safety; and
1958 (vii) local jurisdiction concerns; and

1959 (c) institutes best management noise reduction practices, as determined by the
1960 department, for front row receptors, in consultation with local government or the local
1961 jurisdictional authority for all nighttime [highway] construction, which may include:

1962 (i) equipment maintenance;
1963 (ii) noise shielding;
1964 (iii) scheduling the most noise intrusive activities during the day; and
1965 (iv) other noise mitigation methods.

1966 (4) (a) Subject to Subsection (2) or (3), a state highway project or public transit facility
1967 construction shall secure required noise permits from the local jurisdictional authority to
1968 conduct nighttime [highway] construction.

1969 (b) To the extent practical, the department shall coordinate with the local jurisdictional
1970 authority during the pre-construction phase of a project to address noise exemption conditions.

1971 (5) A local jurisdictional authority shall issue a nighttime [highway] construction
1972 permit limited to permitted activities if:

1973 (a) the applicant provides evidence that the permitted activities are directly related to
1974 and necessary for a nighttime [highway] construction project for which the department has
1975 obtained a noise permit from a local jurisdictional authority pursuant to Subsection (4); and

1976 (b) the local jurisdictional authority determines that any nuisance that may be caused
1977 by the nighttime [highway] construction may be reasonably mitigated.

1978 (6) A local jurisdictional authority shall issue a nighttime [highway] construction noise

1979 permit without additional requirements to the department at the request of the department or
1980 the department's designated project agent if the requirements of [~~Subsections (2) and~~]
1981 Subsection (2) or (3) are met.

1982 (7) (a) A local jurisdictional authority may request adjustments to a nighttime
1983 [~~highway~~] construction permit to mitigate unreasonable noise disturbances caused by nighttime
1984 [~~highway~~] construction or permitted activities.

1985 (b) If adjustments are requested as described in Subsection (7)(a), the nighttime
1986 [~~highway~~] construction permit holder shall use best management noise reduction practices to
1987 mitigate unreasonable noise disturbances.

1988 (8) (a) For the exemption provided in Subsection (3) and in accordance with Title 63G,
1989 Chapter 3, Utah Administrative Rulemaking Act, the department shall make rules establishing
1990 procedures:

1991 (i) for a local jurisdictional authority or local government to appeal the decision of the
1992 department to conduct nighttime [~~highway~~] construction [~~on roads where the normal posted~~
1993 ~~speed limit is less than 55 miles per hour~~]; and

1994 (ii) for the local jurisdictional authority to request that the department enforce the terms
1995 of a noise permit.

1996 (b) After review and upon receiving a written notice from a local jurisdictional
1997 authority that the conditions for the noise exemption permit are not met, the department shall
1998 take corrective action to ensure nighttime [~~highway~~] construction activities meet requirements
1999 of the local permit.

2000 Section 23. Section **72-14-103** is amended to read:

2001 **72-14-103. Preemption of local ordinance.**

2002 (1) A political subdivision of the state, or an entity within a political subdivision of the
2003 state, may not enact a law, ordinance, or rule governing the private use of an unmanned aircraft
2004 or the private use of an advanced air mobility system, unless:

2005 (a) authorized by this chapter; or

2006 (b) the political subdivision or entity is an airport operator that enacts the law, rule, or
2007 ordinance to govern:

2008 (i) the operation of an unmanned aircraft or an advanced air mobility system within the
2009 geographic boundaries of the airport over which the airport operator has authority; or

2010 (ii) the takeoff or landing of an unmanned aircraft or an aircraft operated as part of an
2011 advanced air mobility system at the airport over which the airport operator has authority.

2012 (2) (a) A political subdivision may not create a monopoly by entering into an
2013 agreement to grant or permit an exclusive right to one or more vertiport owners as the only
2014 vertiport owners or operators within the boundary of the political subdivision.

2015 (b) Subsection (2)(a) does not preclude a political subdivision from granting a permit
2016 or right to a vertiport owner or operator if only one owner or operator applies for a permit in
2017 that political subdivision.

2018 (3) Notwithstanding Subsection (2), if a political subdivision issues a permit to a
2019 vertiport owner or operator, unless the vertiport owner, operator, or facility receives any public
2020 money, the vertiport owner or operator may exclude other users from using the owner's or
2021 operator's vertiport.

2022 ~~[(2)]~~ (4) This chapter supersedes any law, ordinance, or rule enacted by a political
2023 subdivision of the state before July 1, ~~[2017]~~ 2022.

2024 Section 24. Section **72-16-102** is amended to read:

2025 **72-16-102. Definitions.**

2026 As used in this chapter:

2027 (1) "Account" means the Amusement Ride Safety Restricted Account created in
2028 Section [72-16-204](#).

2029 (2) (a) "Amusement park" means a permanent indoor or outdoor facility or park where
2030 one or more amusement rides are available for use by the general public.

2031 (b) "Amusement park" does not include a traveling show, carnival, or public
2032 fairground.

2033 (3) (a) "Amusement ride" means a device or combination of devices or elements that
2034 carries or conveys one or more riders along, around, or over a fixed or restricted route or course
2035 or allows the riders to steer or guide the device within an established area for the purpose of
2036 giving the riders amusement, pleasure, thrills, or excitement.

2037 (b) "Amusement ride" does not include:

2038 (i) a coin-operated ride that:

2039 (A) is manually, mechanically, or electrically operated;

2040 (B) is customarily placed in a public location; and

- 2041 (C) does not normally require the supervision or services of an operator;
- 2042 (ii) nonmechanized playground equipment, including a swing, seesaw, stationary
- 2043 spring-mounted animal feature, rider-propelled merry-go-round, climber, playground slide,
- 2044 trampoline, or physical fitness device;
- 2045 (iii) an inflatable device;
- 2046 (iv) a water-based recreational attraction where complete or partial immersion is
- 2047 intended, including a water slide, wave pool, or water park;
- 2048 (v) a challenge, exercise, or obstacle course;
- 2049 (vi) a passenger ropeway as defined in Section [72-11-102](#);
- 2050 (vii) a device or attraction that involves one or more live animals;
- 2051 (viii) a tractor ride or wagon ride; [~~or~~]
- 2052 (ix) motion seats in a movie theater for which the manufacturer does not require a
- 2053 restraint[-]; or
- 2054 (x) a zip line.
- 2055 (4) "Committee" means the Utah Amusement Ride Safety Committee created in
- 2056 Section [72-16-201](#).
- 2057 (5) "Director" means the director of the committee, hired under Section [72-16-202](#).
- 2058 (6) "Mobile amusement ride" means an amusement ride that is:
- 2059 (a) designed or adapted to be moved from one location to another;
- 2060 (b) not fixed at a single location; and
- 2061 (c) relocated at least once each calendar year.
- 2062 (7) "Operator" means the individual who controls the starting, stopping, or speed of an
- 2063 amusement ride.
- 2064 (8) "Owner-operator" means the person who has control over and responsibility for the
- 2065 maintenance, setup, and operation of an amusement ride.
- 2066 (9) "Permanent amusement ride" means an amusement ride that is not a mobile
- 2067 amusement ride.
- 2068 (10) "Qualified safety inspector" means an individual who holds a valid qualified
- 2069 safety inspector certification.
- 2070 (11) "Qualified safety inspector certification" means a certification issued by the
- 2071 director under Section [72-16-303](#).

2072 (12) "Reportable serious injury" means an injury to a rider that:
2073 (a) occurs when there is a failure or malfunction of an amusement ride; and
2074 (b) results in death, dismemberment, permanent disfigurement, permanent loss of the
2075 use of a body organ, member, function, or system, or a compound fracture.

2076 (13) "Safety inspection certification" means a written document that:
2077 (a) is signed by a qualified safety inspector certifying that:
2078 (i) the qualified safety inspector performed an in-person inspection of an amusement
2079 ride to check compliance with the safety standards described in Section 72-16-304 and
2080 established by rule; and

2081 (ii) at the time the qualified safety inspector performed the in-person inspection, the
2082 amusement ride:

2083 (A) was set up for use by the general public; and

2084 (B) satisfied the safety standards described in Section 72-16-304 and established by
2085 rule; and

2086 (b) includes the date on which the qualified safety inspector performed the in-person
2087 inspection.

2088 (14) "Serious injury" means an injury to a rider that:

2089 (a) occurs when there is a failure or malfunction of an amusement ride; and

2090 (b) requires immediate admission to a hospital and overnight hospitalization and
2091 observation by a licensed physician.

2092 Section 25. **Effective date.**

2093 (1) Except as provided in Subsection (2), this bill takes effect on May 3, 2023.

2094 (2) If approved by two-thirds of all the members elected to each house, the
2095 amendments to Section 72-16-102 in this bill take effect upon approval by the governor, or the
2096 day following the constitutional time limit of Utah Constitution, Article VII, Section 8, without
2097 the governor's signature, or in the case of a veto, the date of veto override.

2098 Section 26. **Coordinating S.B. 185 with S.B. 24 and S.B. 161 -- Substantive and**
2099 **technical amendments.**

2100 If this S.B. 185 and S.B. 24, Advanced Air Mobility Amendments, and S.B. 161,
2101 Advanced Air Mobility Revisions, all pass and become law, it is the intent of the Legislature
2102 that the Office of Legislative Research and General Counsel, in preparing the Utah Code

2103 database for publication, amend Section 72-14-103, being renumbered to Section 72-10-701 in
2104 S.B. 24, to read:

2105 "(1) As used in this section, "advanced air mobility business" means a business that
2106 operates an unmanned aircraft system or an advanced air mobility system for a commercial
2107 purpose that is required to obtain a certificate pursuant to 14 C.F.R. Part 107 or 135.

2108 [(+)] (2) A political subdivision of the state, or an entity within a political subdivision
2109 of the state, may not enact a law, ordinance, or rule governing the private use of an unmanned
2110 aircraft or the private use of an advanced air mobility system, unless:

2111 (a) authorized by this chapter; or

2112 (b) the political subdivision or entity is an airport operator that enacts the law, rule, or
2113 ordinance to govern:

2114 (i) the operation of an unmanned aircraft or an advanced air mobility system within the
2115 geographic boundaries of the airport over which the airport operator has authority; or

2116 (ii) the takeoff or landing of an unmanned aircraft or an aircraft operated as part of an
2117 advanced air mobility system at the airport over which the airport operator has authority.

2118 (3) (a) Subject to the provisions of this chapter, a political subdivision may require an
2119 advanced air mobility business to obtain a business license if the advanced air mobility
2120 business does not hold a current business license in good standing from another political
2121 subdivision in the state.

2122 (b) A political subdivision may only charge a licensing fee to an advanced air mobility
2123 business in an amount that reimburses the political subdivision for the actual cost of processing
2124 the business license.

2125 (4) A political subdivision may not require an advanced air mobility business to:

2126 (a) obtain a separate business license beyond the initial business license described in

2127 Subsection (3)(a);

2128 (b) pay a fee other than the fee for the initial business license described in Subsection

2129 (3); or

2130 (c) pay a fee for each employee the advanced air mobility business employs.

2131 (5) A political subdivision shall provide a reasonable accommodation to an advanced
2132 air mobility business with regard to any regulation or restriction on the size of the business.

2133 (6) A political subdivision shall recognize as valid within the political subdivision the

2134 business license of an advanced air mobility business obtained in another political subdivision
2135 within the state, if the business license is current and in good standing.

2136 (7) (a) A political subdivision may not create a monopoly by entering into an
2137 agreement to grant or permit an exclusive right to one or more vertiport owners as the only
2138 vertiport owners or operators within the boundary of the political subdivision.

2139 (b) Subsection (7)(a) does not preclude a political subdivision from granting a permit
2140 or right to a vertiport owner or operator if only one owner or operator applies for a permit in
2141 that political subdivision.

2142 (8) Notwithstanding Subsection (7), if a political subdivision issues a permit to a
2143 vertiport owner or operator, unless the vertiport owner, operator, or facility receives any public
2144 money, the vertiport owner or operator may exclude other users from using the owner's or
2145 operator's vertiport.

2146 [~~2~~] (9) This chapter supersedes any law, ordinance, or rule enacted by a political
2147 subdivision of the state before July 1, [~~2017~~] 2022."