

SB0185S04 compared with SB0185S03

~~{deleted text}~~ shows text that was in SB0185S03 but was deleted in SB0185S04.

inserted text shows text that was not in SB0185S03 but was inserted into SB0185S04.

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~~{Senator Wayne A}~~Representative Kay J. ~~{Harper}~~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;
- ~~{~~ → extends the expiration of the ability for certain political subdivisions to impose a local option sales tax for certain transportation purposes;
- ‡ ▶ amends provisions related to the responsibilities of the executive director and deputy directors of the Department of Transportation;

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- ▶ 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.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

This bill provides a coordination clause.

Utah Code Sections Affected:

AMENDS:

17B-2a-806, as last amended by Laws of Utah 2022, Chapter 69

41-1a-226, as last amended by Laws of Utah 2022, Chapter 259

41-1a-401, as last amended by Laws of Utah 2022, Chapter 259

41-1a-422, as last amended by Laws of Utah 2022, Chapters 19, 48, 68, 255, 259, 335, 451, and 456

41-1a-1206, as last amended by Laws of Utah 2022, Chapters 56, 259

41-6a-1642, as last amended by Laws of Utah 2022, Chapters 160, 259

41-21-1, as last amended by Laws of Utah 2022, Chapter 259

59-12-103, as last amended by Laws of Utah 2022, Chapters 77, 106 and 433

~~{ **59-12-2220**, as last amended by Laws of Utah 2022, Chapter 259~~

{ **72-1-102**, as last amended by Laws of Utah 2022, Chapter 69

72-1-202, as last amended by Laws of Utah 2022, Chapter 69

72-1-203, as last amended by Laws of Utah 2019, Chapter 479

72-1-213.2, as last amended by Laws of Utah 2022, Chapter 259

72-1-304, as last amended by Laws of Utah 2022, Chapter 406

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72-1-305, as last amended by Laws of Utah 2018, Chapter 424

72-2-106, as last amended by Laws of Utah 2017, Chapters 144, 234

72-2-107, as last amended by Laws of Utah 2020, Chapter 377

72-2-123, as last amended by Laws of Utah 2008, Chapter 382

72-2-124, as last amended by Laws of Utah 2022, Chapters 69, 259 and 406

72-2-202, as last amended by Laws of Utah 2022, Chapter 463

72-5-102, as last amended by Laws of Utah 2021, Chapter 222

72-5-114, as renumbered and amended by Laws of Utah 1998, Chapter 270

72-6-112.5, as last amended by Laws of Utah 2019, Chapter 43

72-14-103, as last amended by Laws of Utah 2022, Chapter 99

72-16-102, as last amended by Laws of Utah 2020, Chapter 423

Utah Code Sections Affected by Coordination Clause:

~~72-10-701~~ 72-14-103, as last amended by Laws of Utah ~~{Code Annotated 1953}~~ 2022,
Chapter 99

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- (a) is owned and operated for the purposes described in Section 41-21-1; and
- (b) is safe to operate on the highways of this state as described in Section 41-21-4.

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

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

- (a) obtain a certificate of emissions inspection as provided in Section 41-6a-1642; or
- (b) provide proof of vehicle insurance coverage for the vintage vehicle that is a type specific to a vehicle collector.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(iii) Notwithstanding the reflectivity requirement described in Subsection (3)(a)(i), the

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division may manufacture and issue a historical support special group license plate without a fully reflective plate face if:

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

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

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

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

(d) The granting of contracts for the materials shall be by public bid.

(4) (a) The commission may issue, adopt, and require the use of indicia of registration it considers advisable in lieu of or in conjunction with license plates as provided in this part.

(b) All provisions of this part relative to license plates apply to these indicia of registration, so far as the provisions are applicable.

(5) A violation of this section is an infraction.

Section 4. Section **41-1a-422** is amended to read:

41-1a-422. Support special group license plates -- Contributor -- Voluntary contribution collection procedures.

(1) As used in this section:

(a) (i) except as provided in Subsection (1)(a)(ii), "contributor" means a person who has donated or in whose name at least \$25 has been donated to:

(A) a scholastic scholarship fund of a single named institution;

(B) the Department of Veterans and Military Affairs for veterans programs;

(C) the Division of Wildlife Resources for the Wildlife Resources Account created in Section 23-14-13, for conservation of wildlife and the enhancement, preservation, protection, access, and management of wildlife habitat;

(D) the Department of Agriculture and Food for the benefit of conservation districts;

(E) the Division of Outdoor Recreation for the benefit of snowmobile programs;

(F) the Guardian Ad Litem Services Account and the Children's Museum of Utah, with

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the donation evenly divided between the two;

(G) the Boy Scouts of America for the benefit of a Utah Boy Scouts of America council as specified by the contributor;

(H) No More Homeless Pets in Utah for distribution to organizations or individuals that provide spay and neuter programs that subsidize the sterilization of domestic animals;

(I) the Utah Alliance of Boys and Girls Clubs, Inc. to provide and enhance youth development programs;

(J) the Utah Association of Public School Foundations to support public education;

(K) the Utah Housing Opportunity Restricted Account created in Section 61-2-204 to assist people who have severe housing needs;

(L) the Public Safety Honoring Heroes Restricted Account created in Section 53-1-118 to support the families of fallen Utah Highway Patrol troopers and other Department of Public Safety employees;

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

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

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

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

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

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

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

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

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

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

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

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

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

(Z) the Utah Intracurricular Student Organization Support for Agricultural Education and Leadership Restricted Account created in Section 4-42-102;

(AA) the Division of Wildlife Resources for the Support for State-Owned Shooting Ranges Restricted Account created in Section 23-14-13.5, for the creation of new, and operation and maintenance of existing, state-owned firearm shooting ranges;

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

(CC) the Motorcycle Safety Awareness Support Restricted Account created in Section 72-2-130;

(DD) clean air support causes, with half of the donation deposited into the Clean Air Support Restricted Account created in Section 19-1-109, and half of the donation deposited into the Clean Air Fund created in Section 59-10-1319;

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

(FF) the Allyson Gamble Organ Donation Contribution Fund created in Section 26-18b-101;

(GG) public education on behalf of the Kiwanis International clubs, with the amount of the donation required to cover the costs of issuing, ordering, or reordering Kiwanis support special group plates, as determined by the State Tax Commission, deposited into the Kiwanis Education Support Fund created in Section 53F-9-403, and all remaining donation amounts deposited into the Uniform School Fund;

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

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support the Live On suicide prevention campaign administered by the Division of Integrated Healthcare; or

(II) the State Park Fees Restricted Account created in Section 79-4-402 to support the Division of State Parks' dark sky initiative.

(ii) (A) For a veterans special group license plate described in Subsection (4) or 41-1a-421(1)(a)(v), "contributor" means a person who has donated or in whose name at least a \$25 donation at the time of application and \$10 annual donation thereafter has been made.

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

(I) has donated or in whose name at least \$30 has been donated at the time of application and annually after the time of application; and

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

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

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

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

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

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

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

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

(2) (a) An applicant for original or renewal collegiate special group license plates under

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Subsection (1)(a)(i) must be a contributor to the institution named in the application and present the original contribution verification form under Subsection (2)(b) or make a contribution to the division at the time of application under Subsection (3).

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

- (i) the name of the contributor;
- (ii) the institution to which a donation was made;
- (iii) the date of the donation; and
- (iv) an attestation that the donation was for a scholastic scholarship.

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

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

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

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

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

(b) This contribution shall be:

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

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

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

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

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less:

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

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

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

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

(i) snowmobile license plates; or

(ii) conservation license plates.

(4) Veterans license plates shall display one of the symbols representing the Army, Navy, Air Force, Marines, Coast Guard, or American Legion.

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

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

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

(a) \$46.00 for each motorcycle;

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

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

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

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

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

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

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

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

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

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

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

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

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

(A) each electric motor vehicle; and

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

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

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

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

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

(i) \$34.50 for each motorcycle; and

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

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

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

(A) each electric motor vehicle; and

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

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

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

(3) (a) (i) Beginning on January 1, 2019, the commission shall, on January 1, annually adjust the registration fees described in Subsections (1)(a), (1)(b), (1)(c)(i), (1)(c)(ii), (1)(d)(i), (1)(e)(i), (1)(f)(i), (1)(g), (2)(a), (4)(a), and (7), by taking the registration fee rate for the

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previous year and adding an amount equal to the greater of:

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

(B) 0.

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

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

(B) 0.

(b) The amounts calculated as described in Subsection (3)(a) shall be rounded up to the nearest 25 cents.

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

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

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

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

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

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

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

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

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

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(a) the truck meets the definition of a farm truck under Section 41-1a-102; and
(b) (i) the truck has a gross vehicle weight rating of more than 12,000 pounds; or
(ii) the truck has a gross vehicle weight rating of 12,000 pounds or less and the owner submits to the division a certificate of emissions inspection or a waiver in compliance with Section 41-6a-1642.

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

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

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

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

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

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

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

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

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

(i) the federal government;

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

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

(2) A vehicle owner subject to Subsection (1) shall obtain a motor vehicle emissions inspection and maintenance program certificate of emissions inspection as described in

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Subsection (1), but the program may not deny vehicle registration based solely on the presence of a defeat device covered in the Volkswagen partial consent decrees or a United States Environmental Protection Agency-approved vehicle modification in the following vehicles:

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

- (i) Volkswagen Jetta, model years 2009, 2010, 2011, 2012, 2013, 2014, and 2015;
- (ii) Volkswagen Jetta Sportwagen, model years 2009, 2010, 2011, 2012, 2013, and 2014;
- (iii) Volkswagen Golf, model years 2010, 2011, 2012, 2013, 2014, and 2015;
- (iv) Volkswagen Golf Sportwagen, model year 2015;
- (v) Volkswagen Passat, model years 2012, 2013, 2014, and 2015;
- (vi) Volkswagen Beetle, model years 2013, 2014, and 2015;
- (vii) Volkswagen Beetle Convertible, model years 2013, 2014, and 2015; and
- (viii) Audi A3, model years 2010, 2011, 2012, 2013, and 2015; and

(b) a 3.0-liter diesel engine motor vehicle in which its lifetime nitrogen oxide emissions are mitigated in the state to a settlement, including:

- (i) Volkswagen Touareg, model years 2009, 2010, 2011, 2012, 2013, 2014, 2015, and 2016;
- (ii) Audi Q7, model years 2009, 2010, 2011, 2012, 2013, 2014, 2015, and 2016;
- (iii) Audi A6 Quattro, model years 2014, 2015, and 2016;
- (iv) Audi A7 Quattro, model years 2014, 2015, and 2016;
- (v) Audi A8, model years 2014, 2015, and 2016;
- (vi) Audi A8L, model years 2014, 2015, and 2016;
- (vii) Audi Q5, model years 2014, 2015, and 2016; and
- (viii) Porsche Cayenne Diesel, model years 2013, 2014, 2015, and 2016.

(3) (a) The legislative body of a county identified in Subsection (1), in consultation with the Air Quality Board created under Section 19-1-106, shall make regulations or ordinances regarding:

- (i) emissions standards;
- (ii) test procedures;
- (iii) inspections stations;

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- (iv) repair requirements and dollar limits for correction of deficiencies; and
- (v) certificates of emissions inspections.

(b) In accordance with Subsection (3)(a), a county legislative body:

(i) shall make regulations or ordinances to attain or maintain ambient air quality standards in the county, consistent with the state implementation plan and federal requirements;

(ii) may allow for a phase-in of the program by geographical area; and

(iii) shall comply with the analyzer design and certification requirements contained in the state implementation plan prepared under Title 19, Chapter 2, Air Conservation Act.

(c) The county legislative body and the Air Quality Board shall give preference to an inspection and maintenance program that:

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

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

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

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

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

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

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

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

(b) a motor vehicle that:

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

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

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

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

(ii) for a vintage vehicle that has a model year of [~~1981~~] 1983 or newer, if the owner

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provides proof of vehicle insurance that is a type specific to a vehicle collector;

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

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

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

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

(ii) exclusively for the following purposes in operating the farm:

(A) for the transportation of farm products, including livestock and its products, poultry and its products, floricultural and horticultural products; and

(B) in the transportation of farm supplies, including tile, fence, and every other thing or commodity used in agricultural, floricultural, horticultural, livestock, and poultry production and maintenance;

(g) a motorcycle as defined in Section 41-1a-102;

(h) an electric motor vehicle as defined in Section 41-1a-102; and

(i) a motor vehicle with a model year of 1967 or older.

(5) The county shall issue to the registered owner who signs and submits a signed statement under Subsection (4)(f) a certificate of exemption from emissions inspection requirements for purposes of registering the exempt vehicle.

(6) A legislative body of a county described in Subsection (1) may exempt from an emissions inspection program a diesel-powered motor vehicle with a:

(a) gross vehicle weight rating of more than 14,000 pounds; or

(b) model year of 1997 or older.

(7) The legislative body of a county required under federal law to utilize a motor vehicle emissions inspection program shall require:

(a) a computerized emissions inspection for a diesel-powered motor vehicle that has:

(i) a model year of 2007 or newer;

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- (ii) a gross vehicle weight rating of 14,000 pounds or less; and
- (iii) a model year that is five years old or older; and
- (b) a visual inspection of emissions equipment for a diesel-powered motor vehicle:
 - (i) with a gross vehicle weight rating of 14,000 pounds or less;
 - (ii) that has a model year of 1998 or newer; and
 - (iii) that has a model year that is five years old or older.

(8) (a) Subject to Subsection (8)(c), the legislative body of each county required under federal law to utilize a motor vehicle emissions inspection and maintenance program or in which an emissions inspection and maintenance program is necessary to attain or maintain any national ambient air quality standard may require each college or university located in a county subject to this section to require its students and employees who park a motor vehicle not registered in a county subject to this section to provide proof of compliance with an emissions inspection accepted by the county legislative body if the motor vehicle is parked on the college or university campus or property.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(c) If the title of a leased vehicle is being transferred to the lessee of the vehicle, the

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lessee may use an emissions inspection certificate issued during the previous 11 months to satisfy the requirement under this section.

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

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

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

(b) A county identified in Subsection (1) shall supply this information to an appropriate legislative committee, as designated by the Legislative Management Committee, at times determined by the designated committee to identify program needs, including funding needs.

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

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

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

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

(14) (a) If a county has reason to believe that a vehicle owner has provided an address as required in Section 41-1a-209 to register or attempt to register a motor vehicle in a county other than the county of the bona fide residence of the owner in order to avoid an emissions inspection required under this section, the county may investigate and gather evidence to determine whether the vehicle owner has used a false address or an address other than the

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vehicle owner's bona fide residence or place of business.

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

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

41-21-1. Definitions.

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

(2) "Motorcycle" means:

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

(b) an autocycle.

(3) (a) "Street rod" means a motor vehicle or motorcycle that:

(i) (A) was manufactured in 1948 or before; or

(B) (I) was manufactured after 1948 to resemble a vehicle that was manufactured in 1948 or before; and

(II) (Aa) has been altered from the manufacturer's original design; or

(Bb) has a body constructed from non-original materials; and

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

(A) club activities;

(B) exhibitions;

(C) tours;

(D) parades;

(E) occasional transportation; and

(F) other similar uses.

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

(4) (a) "Vintage travel trailer" means a travel trailer, camping trailer, or fifth wheel trailer that is:

(i) 30 years old or older, from the current year; and

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

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- (A) participation in club activities;
- (B) exhibitions;
- (C) tours;
- (D) parades;
- (E) occasional recreational or vacation use; and
- (F) other similar uses.

(b) "Vintage travel trailer" does not include a travel trailer, camping trailer, or fifth wheel trailer that is used for the general, daily transportation of persons or property.

(5) (a) "Vintage vehicle" means a motor vehicle or motorcycle that:

- (i) is 30 years old or older from the current year;
- (ii) displays:

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

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

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

- (A) participation in club activities;
- (B) exhibitions;
- (C) tours;
- (D) parades;
- (E) occasional transportation; and
- (F) other similar uses.

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

(c) "Vintage vehicle" includes a:

- (i) street rod; and
- (ii) vintage travel trailer.

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

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

(1) A tax is imposed on the purchaser as provided in this part on the purchase price or

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sales price for amounts paid or charged for the following transactions:

- (a) retail sales of tangible personal property made within the state;
- (b) amounts paid for:
 - (i) telecommunications service, other than mobile telecommunications service, that originates and terminates within the boundaries of this state;
 - (ii) mobile telecommunications service that originates and terminates within the boundaries of one state only to the extent permitted by the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
 - (iii) an ancillary service associated with a:
 - (A) telecommunications service described in Subsection (1)(b)(i); or
 - (B) mobile telecommunications service described in Subsection (1)(b)(ii);
- (c) sales of the following for commercial use:
 - (i) gas;
 - (ii) electricity;
 - (iii) heat;
 - (iv) coal;
 - (v) fuel oil; or
 - (vi) other fuels;
- (d) sales of the following for residential use:
 - (i) gas;
 - (ii) electricity;
 - (iii) heat;
 - (iv) coal;
 - (v) fuel oil; or
 - (vi) other fuels;
- (e) sales of prepared food;
- (f) except as provided in Section 59-12-104, amounts paid or charged as admission or user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf

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driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or any other amusement, entertainment, recreation, exhibition, cultural, or athletic activity;

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

(i) the tangible personal property; and

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

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

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

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

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

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

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

(i) stored;

(ii) used; or

(iii) otherwise consumed;

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

(i) stored;

(ii) used; or

(iii) consumed; and

(m) amounts paid or charged for a sale:

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

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

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(ii) regardless of whether the sale provides:

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

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

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

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

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

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

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

(B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional State Sales and Use Tax Act; and

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

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

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

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

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

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

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

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

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

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

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

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

(II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional State Sales and Use Tax Act; and

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

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

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

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

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

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

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(II) state or federal law provides otherwise; or

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

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

(II) state or federal law provides otherwise.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(A) a commercial use;

(B) an industrial use; or

(C) a residential use.

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

(i) the tax imposed by Subsection (2)(a)(i)(A);

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

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

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

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

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- (i) the tax imposed by Subsection (2)(a)(ii);
 - (ii) the tax imposed by Subsection (2)(b)(ii);
 - (iii) the tax imposed by Subsection (2)(c)(ii); and
 - (iv) the tax imposed by Subsection (2)(e)(i)(B).
- (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General

Fund.

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

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

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

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

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

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

(iii) At the end of each fiscal year:

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

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

(C) 25% of any unexpended designated sales and use tax revenue shall lapse to the

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Drinking Water Loan Program Subaccount created in Section 73-10c-5.

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

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

(ii) At the end of each fiscal year:

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

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

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

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

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

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

(B) fund state required dam safety improvements; and

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

(f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount

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created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

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

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

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

(iii) develop surface water sources.

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

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

(ii) \$17,500,000.

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

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

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

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

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

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

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

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

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

(i) preconstruction costs:

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

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

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

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

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

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

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

(a) for fiscal year 2020-21 only:

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

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

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

(7) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in Subsection (6), and subject to Subsection (7)(b), for a fiscal year beginning on or after July 1,

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2012, the Division of Finance shall deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124:

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

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

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

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

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

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

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

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

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

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

(iii) Subject to Subsection (7)(b)(iv)(E), in all subsequent fiscal years after a year in which 17% of the revenues collected from the sales and use taxes described in Subsections

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(7)(a)(i)(A) through (D) was deposited under Subsection (7)(a), the Division of Finance shall annually deposit 17% of the revenues collected from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) in the current fiscal year under Subsection (7)(a).

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

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

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

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

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

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

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

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

(A) the amount of revenue generated in the current fiscal year by the portion of taxes listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes described

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in Subsections (7)(a)(i)(A) through (D):

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

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

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

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

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

- (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- (ii) the tax imposed by Subsection (2)(b)(i);
- (iii) the tax imposed by Subsection (2)(c)(i); and
- (iv) the tax imposed by Subsection (2)(e)(i)(A)(I).

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

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

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

- (ii) As used in this Subsection (8)(d), "combined amount" means the combined total

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

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

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

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

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

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

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

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

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

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

(b) For purposes of Subsection (10)(a), the Division of Finance may not deposit into

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the Transportation Investment Fund of 2005 any tax revenue generated by amounts paid or charged for food and food ingredients, except for tax revenue generated by a bundled transaction attributable to food and food ingredients and tangible personal property other than food and food ingredients described in Subsection (2)(e).

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

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

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

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

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

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

(15) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610, beginning the first day of the calendar quarter one year after the sales and use tax boundary for a housing and transit reinvestment zone is established, the commission, at least annually, shall transfer an amount equal to 15% of the sales and use tax increment within an established sales

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and use tax boundary, as defined in Section 63N-3-602, into the Transit Transportation Investment Fund created in Section 72-2-124.

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

- (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- (b) the tax imposed by Subsection (2)(b)(i);
- (c) the tax imposed by Subsection (2)(c)(i); and
- (d) the tax imposed by Subsection (2)(e)(i)(A)(I).

Section 9. Section ~~{59-12-2220}~~72-1-102 is amended to read:

~~{~~ ~~59-12-2220. County option sales and use tax to fund a system for public transit~~ ~~Base -- Rate.~~

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

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

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

~~_____ (ii) the maximum amount of sales and use tax authorizations allowed pursuant to Section 59-12-2203 and authorized under the following sections has been imposed:~~

~~_____ (A) Section 59-12-2213;~~

~~_____ (B) Section 59-12-2214;~~

~~_____ (C) Section 59-12-2215;~~

~~_____ (D) Section 59-12-2216;~~

~~_____ (E) Section 59-12-2217;~~

~~_____ (F) Section 59-12-2218; and~~

~~_____ (G) Section 59-12-2219;~~

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

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

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

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

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

~~—— (2) For purposes of Subsection (1) and subject to the other provisions of this section, a county legislative body that imposes a sales and use tax under this section may impose the tax at a rate of .2%.~~

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

~~—— (a) a public transit district;~~

~~—— (b) an eligible political subdivision, as that term is defined in Section 59-12-2219; or~~

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

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

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

~~—— (b) The county legislative body may not pass an ordinance to impose a sales and use tax under this section on or after July 1, [2023] 2026.~~

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

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

~~—— (b) The limitation under Subsection (6)(a) does not apply to a designated transportation~~

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~~or public transit capital or reserve account a county may have established prior to the date the tax becomes effective.~~

~~Section 10. Section 72-1-102 is amended to read:~~

‡ 72-1-102. Definitions.

As used in this title:

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

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

(b) located within a master planned community;

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

for traffic circulation that may also be used for:

(i) garbage collection;

(ii) access to residential garages; or

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

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

(2) "Commission" means the Transportation Commission created under Section 72-1-301.

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

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

(5) "Executive director" means the executive director of the department appointed under Section 72-1-202.

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

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

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

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

(b) "Fixed guideway capital development" includes:

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

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

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

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

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

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

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

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

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

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

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

- (a) designated by the city as a master planned community; and
- (b) comprised of a single development agreement for a development larger than 500 acres.

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

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

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

~~[(21)]~~ (22) (a) "Port-of-entry" means a fixed or temporary facility constructed,

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operated, and maintained by the department where drivers, vehicles, and vehicle loads are checked or inspected for compliance with state and federal laws as specified in Section 72-9-501.

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

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

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

~~[(24)]~~ (25) "Public transit facility" means a fixed guideway, transit vehicle, transit station, depot, passenger loading or unloading zone, parking lot, or other facility:

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

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

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

(ii) railway line; and

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

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

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

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

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

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

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

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

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

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

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

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

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

Section ~~{11}~~10. Section **72-1-202** is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

(e) receive a salary, to be established by the governor within the salary range fixed by the Legislature in Title 67, Chapter 22, State Officer Compensation, together with actual

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traveling expenses while away from the executive director's office on official business;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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~~public-private partnership opportunities.]~~

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

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

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

Section ~~{12}~~11. Section **72-1-203** is amended to read:

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

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

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

(b) the deputy director of planning and investment.

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

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

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

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

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

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

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

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

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

~~[(c) The deputy director of planning and investment shall assist the executive director~~

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~~with areas of responsibility that may include:]~~

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

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

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

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

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

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

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

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

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

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

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

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

~~[(x) oversight and facilitation of the negotiations and integration of public transit providers described in Section 17B-2a-827;]~~

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

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

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

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

(c) operations and traffic management;

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

(e) transportation systems safety;

(f) aeronautical operations;

(g) equipment for department engineering and maintenance functions;

(h) oversight and coordination of planning, including:

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

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

(iii) coordination with a large public transit district, including planning, project development, outreach, programming, environmental studies and impact statements,

construction, and impacts on public transit operations; and

(iv) corridor and area planning;

(i) asset management;

(j) programming and prioritization of transportation projects;

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

(l) resource investment, including identification, development, and oversight of public-private partnership opportunities;

(m) data analytics services to the department;

(n) corridor preservation;

(o) employee development;

(p) maintenance planning;

(q) oversight and facilitation of the negotiations and integration of public transit providers described in Section 17B-2a-827;

(r) oversight and supervision of any fixed guideway capital development project within the boundaries of a large public transit district for which any state funds are expended, including those responsibilities described in Subsections (2)(a), (h), (j), (k), and (l); and

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

(3) The executive director shall ensure that the same deputy director does not oversee or supervise both the fixed guideway capital development responsibilities described in Subsection (2)(r) and the department's fixed guideway rail safety responsibilities, including the responsibilities described in Section 72-1-214.

Section ~~13~~12. Section 72-1-213.2 is amended to read:

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

(1) There is created [a] an expendable special revenue fund within the Transportation Fund known as the "Road Usage Charge Program Special Revenue Fund."

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

(i) revenue collected by the department under Section 72-1-213.1;

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

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- (iii) contributions from other public and private sources for deposit into the fund;
- (iv) interest earnings on cash balances; and
- (v) money collected for repayments and interest on fund money.

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

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

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

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

- (a) to cover the costs of administering the program; and
- (b) for ~~[state transportation purposes]~~ the purposes described in Subsection (5).

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

Section ~~{14}~~ 13. Section **72-1-304** is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(A) employment;

(B) educational facilities;

(C) recreation;

(D) commerce; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) may not consider local matching dollars as provided under Section 72-2-123 unless the state provides an equal opportunity to raise local matching dollars for state highway

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improvements within each county.

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

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

Section ~~{15}~~14. Section **72-1-305** is amended to read:

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

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

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

(a) the written prioritization process;

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

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

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

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

(b) The commission shall make the reasons for the prioritization under Subsection

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(4)(a) publicly available.

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

- (i) the projects prioritized under this section during the year prior to the report; and
- (ii) the status and progress of all projects prioritized under this section.

(b) Annually, before any funds are programmed and allocated from the Transit Transportation Investment Fund created in Section 72-2-124 for each fiscal year, the executive director or the executive director's designee, along with the executive director of a large public transit district as described in Section 17B-2a-802, shall report to the governor and a committee designated by the Legislative Management Committee no later than the last day of October:

- (i) the public transit projects prioritized under this section during the year prior to the report; and
- (ii) the status and progress of all public transit projects prioritized under this section.

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

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

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

Section ~~116~~15. Section 72-2-106 is amended to read:

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

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

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

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annually transfer an amount equal to the amount of revenue generated by a tax imposed on motor and special fuel that is sold, used, or received for sale or used in this state at a rate of 1.8 cents per gallon to the Transportation Investment Fund of 2005 created by Section 72-2-124.

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

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

Section ~~{17}~~16. Section 72-2-107 is amended to read:

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

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

- (a) the Department of Public Safety;
- (b) the State Tax Commission;
- (c) the Division of Finance;
- (d) the Utah Travel Council;
- (e) except as provided in Section 72-1-213.2, the road usage charge program created in Section 72-1-213.1; and
- (f) any other amounts appropriated or transferred for any other state agencies not a part of the department.

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

(b) The department shall annually transfer \$500,000 of the amount calculated under

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Subsection (1) to the State Park Access Highways Improvement Program created in Section 72-3-207.

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

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

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

Section ~~{18}~~17. Section **72-2-123** is amended to read:

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

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

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

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

~~[(b)]~~ (c) other local participation methods.

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

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

(i) extend department resources to other needed projects;

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

and

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

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

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

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

Section ~~419~~18. Section 72-2-124 is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(C) are prioritized by the commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304;

(ix) \$705,000,000 for the costs of right-of-way acquisition, construction, reconstruction, or renovation of or improvement to the following projects:

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

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

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

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

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

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

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

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

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

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

(K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts 43 and 45.1;

(L) east Zion SR-9 improvements;

(M) Toquerville Parkway;

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(N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
(O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds, for construction of an interchange on Bangerter Highway at 13400 South; and
(P) an environmental impact study for Kimball Junction in Summit County; and
(x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project costs based upon a statement of cash flow that the local jurisdiction where the project is located provides to the department demonstrating the need for money for the project, for the following projects in the following amounts:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(8) The Division of Finance shall, from money deposited into the fund, transfer the amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by

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Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt service or sinking fund.

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

(b) The fund shall be funded by:

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

(ii) appropriations into the account by the Legislature;

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

(iv) private contributions; and

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

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

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

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

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

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

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

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

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

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

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

(f) Before July 1, 2022, the department and a large public transit district shall enter into an agreement for a large public transit district to pay the department \$5,000,000 per year for 15 years to be used to facilitate the purchase of zero emissions or low emissions rail engines and trainsets for regional public transit rail systems.

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

(b) The fund shall be funded by:

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

(ii) appropriations into the account by the Legislature;

(iii) private contributions; and

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

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

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

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

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

(b) The fund shall be funded by:

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

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

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

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

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

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

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

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

(B) serve a regional purpose; and

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

(ii) the development of a plan for a statewide network of paved pedestrian or paved nonmotorized trails that serve a regional purpose; and

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

Section ~~20~~19. Section **72-2-202** is amended to read:

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

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

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

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

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

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

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

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

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

(b) When a loan from the fund is repaid, the department may request and the Legislature may transfer from the fund to the source from which the money originated an amount equal to the repaid loan.

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

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

(4) Money in the fund shall be used by the department, as prioritized by the commission, only to:

(a) provide infrastructure loans or infrastructure assistance; and

(b) pay the department for the costs of administering the fund, providing infrastructure loans or infrastructure assistance, monitoring transportation projects and publicly owned infrastructure projects, and obtaining repayments of infrastructure loans or infrastructure assistance.

(5) (a) The department may establish separate accounts in the fund for infrastructure

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loans, infrastructure assistance, administrative and operating expenses, or any other purpose to implement this part.

(b) The department shall establish a separate account in the fund for infrastructure loans for publicly owned infrastructure projects in greenfield areas that are located no less than one mile from an existing municipal or county:

(i) water supply;

(ii) water distribution facility; or

(iii) wastewater facility.

(c) Prioritization of infrastructure loans described in Subsection (5)(b) shall follow the same process as described in Section 72-2-203.

~~(b)~~ (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department may make rules governing how the fund and its accounts may be held by an escrow agent.

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

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

Section ~~72-5-20~~20. Section **72-5-102** is amended to read:

72-5-102. Definitions.

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

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

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

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

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

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- (5) weighing stations, shops, offices, storage buildings and yards, and road maintenance or construction sites;
- (6) road material sites, sites for the manufacture of road materials, and access roads to the sites;
- (7) the maintenance of an unobstructed view of any portion of a highway to promote the safety of the traveling public;
- (8) the placement of traffic signals, directional signs, and other signs, fences, curbs, barriers, and obstructions for the convenience of the traveling public;
- (9) the construction and maintenance of storm sewers, sidewalks, and highway illumination;
- (10) the construction and maintenance of livestock highways;
- (11) the construction and maintenance of roadside rest areas adjacent to or near any highway; and
- (12) the mitigation of impacts from transportation projects.

Section ~~{22}~~21. Section **72-5-114** is amended to read:

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

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

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

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

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

Section ~~{23}~~22. Section **72-6-112.5** is amended to read:

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

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(1) As used in this section:

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

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

(A) immediately adjacent to a transportation facility; or

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

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

~~(c)~~ (c) "Nighttime [~~highway~~] construction" means highway or public transit facility construction occurring between the hours of 10:00 p.m. and 7:00 a.m.

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

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

(A) loading and unloading of trucks;

(B) asphalt mixing and hauling; and

(C) concrete mixing and hauling.

(ii) "Permitted activities" does not include:

(A) blasting; or

(B) crushing.

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

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

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

(b) a commuter rail construction project.

(3) ~~[A state highway construction project conducted on a road where the normal posted speed limit is less than 55 miles per hour is]~~ Except for a project described in Subsection (2), a

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state highway or a public transit facility construction project is exempt from any noise ordinance, regulation, or standard of a local jurisdictional authority if the department:

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

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

- (i) public health;
- (ii) project completion time;
- (iii) air quality;
- (iv) traffic;
- (v) economics;
- (vi) safety; and
- (vii) local jurisdiction concerns; and

(c) institutes best management noise reduction practices, as determined by the department, for front row receptors, in consultation with local government or the local jurisdictional authority for all nighttime [highway] construction, which may include:

- (i) equipment maintenance;
- (ii) noise shielding;
- (iii) scheduling the most noise intrusive activities during the day; and
- (iv) other noise mitigation methods.

(4) (a) Subject to Subsection (2) or (3), a state highway project or public transit facility construction shall secure required noise permits from the local jurisdictional authority to conduct nighttime [highway] construction.

(b) To the extent practical, the department shall coordinate with the local jurisdictional authority during the pre-construction phase of a project to address noise exemption conditions.

(5) A local jurisdictional authority shall issue a nighttime [highway] construction permit limited to permitted activities if:

(a) the applicant provides evidence that the permitted activities are directly related to and necessary for a nighttime [highway] construction project for which the department has obtained a noise permit from a local jurisdictional authority pursuant to Subsection (4); and

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(b) the local jurisdictional authority determines that any nuisance that may be caused by the nighttime [highway] construction may be reasonably mitigated.

(6) A local jurisdictional authority shall issue a nighttime [highway] construction noise permit without additional requirements to the department at the request of the department or the department's designated project agent if the requirements of [~~Subsections (2) and~~] Subsection (2) or (3) are met.

(7) (a) A local jurisdictional authority may request adjustments to a nighttime [highway] construction permit to mitigate unreasonable noise disturbances caused by nighttime [highway] construction or permitted activities.

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

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

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

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

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

Section ~~(24)~~23. Section **72-14-103** is amended to read:

72-14-103. Preemption of local ordinance.

(1) A political subdivision of the state, or an entity within a political subdivision of the state, may not enact a law, ordinance, or rule governing the private use of an unmanned aircraft or the private use of an advanced air mobility system, unless:

(a) authorized by this chapter; or

(b) the political subdivision or entity is an airport operator that enacts the law, rule, or

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ordinance to govern:

(i) the operation of an unmanned aircraft or an advanced air mobility system within the geographic boundaries of the airport over which the airport operator has authority; or

(ii) the takeoff or landing of an unmanned aircraft or an aircraft operated as part of an advanced air mobility system at the airport over which the airport operator has authority.

(2) (a) A political subdivision may not create a monopoly by entering into an agreement to grant or permit an exclusive right to one or more vertiport owners as the only vertiport owners or operators within the boundary of the political subdivision.

(b) Subsection (2)(a) does not preclude a political subdivision from granting a permit or right to a vertiport owner or operator if only one owner or operator applies for a permit in that political subdivision.

(3) Notwithstanding Subsection (2), if a political subdivision issues a permit to a vertiport owner or operator, ~~unless the vertiport owner, operator, or facility receives any public money,~~ the vertiport owner or operator may exclude other users from using the owner's or operator's vertiport.

~~[(2)]~~ (4) This chapter supersedes any law, ordinance, or rule enacted by a political subdivision of the state before July 1, ~~[2017]~~ 2022.

Section ~~{25}~~24. Section 72-16-102 is amended to read:

72-16-102. Definitions.

As used in this chapter:

(1) "Account" means the Amusement Ride Safety Restricted Account created in Section 72-16-204.

(2) (a) "Amusement park" means a permanent indoor or outdoor facility or park where one or more amusement rides are available for use by the general public.

(b) "Amusement park" does not include a traveling show, carnival, or public fairground.

(3) (a) "Amusement ride" means a device or combination of devices or elements that carries or conveys one or more riders along, around, or over a fixed or restricted route or course or allows the riders to steer or guide the device within an established area for the purpose of giving the riders amusement, pleasure, thrills, or excitement.

(b) "Amusement ride" does not include:

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- (i) a coin-operated ride that:
 - (A) is manually, mechanically, or electrically operated;
 - (B) is customarily placed in a public location; and
 - (C) does not normally require the supervision or services of an operator;
- (ii) nonmechanized playground equipment, including a swing, seesaw, stationary spring-mounted animal feature, rider-propelled merry-go-round, climber, playground slide, trampoline, or physical fitness device;
- (iii) an inflatable device;
- (iv) a water-based recreational attraction where complete or partial immersion is intended, including a water slide, wave pool, or water park;
- (v) a challenge, exercise, or obstacle course;
- (vi) a passenger ropeway as defined in Section 72-11-102;
- (vii) a device or attraction that involves one or more live animals;
- (viii) a tractor ride or wagon ride; [~~or~~]
- (ix) motion seats in a movie theater for which the manufacturer does not require a restraint[-]; or
- (x) a zip line.

(4) "Committee" means the Utah Amusement Ride Safety Committee created in Section 72-16-201.

(5) "Director" means the director of the committee, hired under Section 72-16-202.

(6) "Mobile amusement ride" means an amusement ride that is:

- (a) designed or adapted to be moved from one location to another;
- (b) not fixed at a single location; and
- (c) relocated at least once each calendar year.

(7) "Operator" means the individual who controls the starting, stopping, or speed of an amusement ride.

(8) "Owner-operator" means the person who has control over and responsibility for the maintenance, setup, and operation of an amusement ride.

(9) "Permanent amusement ride" means an amusement ride that is not a mobile amusement ride.

(10) "Qualified safety inspector" means an individual who holds a valid qualified

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safety inspector certification.

(11) "Qualified safety inspector certification" means a certification issued by the director under Section 72-16-303.

(12) "Reportable serious injury" means an injury to a rider that:

(a) occurs when there is a failure or malfunction of an amusement ride; and

(b) results in death, dismemberment, permanent disfigurement, permanent loss of the use of a body organ, member, function, or system, or a compound fracture.

(13) "Safety inspection certification" means a written document that:

(a) is signed by a qualified safety inspector certifying that:

(i) the qualified safety inspector performed an in-person inspection of an amusement ride to check compliance with the safety standards described in Section 72-16-304 and established by rule; and

(ii) at the time the qualified safety inspector performed the in-person inspection, the amusement ride:

(A) was set up for use by the general public; and

(B) satisfied the safety standards described in Section 72-16-304 and established by rule; and

(b) includes the date on which the qualified safety inspector performed the in-person inspection.

(14) "Serious injury" means an injury to a rider that:

(a) occurs when there is a failure or malfunction of an amusement ride; and

(b) requires immediate admission to a hospital and overnight hospitalization and observation by a licensed physician.

Section ~~26~~25. **Effective date.**

(1) Except as provided in Subsection (2), this bill takes effect on May 3, 2023.

(2) If approved by two-thirds of all the members elected to each house, the amendments to Section 72-16-102 in this bill take effect upon approval by the governor, or the day following the constitutional time limit of Utah Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto, the date of veto override.

Section ~~27~~26. **Coordinating S.B. 185 with S.B. 24 and S.B. 161 -- Substantive and technical amendments.**

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If this S.B. 185 and S.B. 24, Advanced Air Mobility Amendments, and S.B. 161, Advanced Air Mobility Revisions, all pass and become law, it is the intent of the Legislature that the Office of Legislative Research and General Counsel, in preparing the Utah Code database for publication, amend Section 72-14-103, being renumbered to Section 72-10-701 in S.B. 24, to read:

"(1) As used in this section, "advanced air mobility business" means a business that operates an unmanned aircraft system or an advanced air mobility system for a commercial purpose that is required to obtain a certificate pursuant to 14 C.F.R. Part 107 or 135.

[~~(1)~~] (2) A political subdivision of the state, or an entity within a political subdivision of the state, may not enact a law, ordinance, or rule governing the private use of an unmanned aircraft or the private use of an advanced air mobility system, unless:

(a) authorized by this chapter; or

(b) the political subdivision or entity is an airport operator that enacts the law, rule, or ordinance to govern:

(i) the operation of an unmanned aircraft or an advanced air mobility system within the geographic boundaries of the airport over which the airport operator has authority; or

(ii) the takeoff or landing of an unmanned aircraft or an aircraft operated as part of an advanced air mobility system at the airport over which the airport operator has authority.

(3) (a) Subject to the provisions of this chapter, a political subdivision may require an advanced air mobility business to obtain a business license if the advanced air mobility business does not hold a current business license in good standing from another political subdivision in the state.

(b) A political subdivision may only charge a licensing fee to an advanced air mobility business in an amount that reimburses the political subdivision for the actual cost of processing the business license.

(4) A political subdivision may not require an advanced air mobility business to:

(a) obtain a separate business license beyond the initial business license described in Subsection (3)(a);

(b) pay a fee other than the fee for the initial business license described in Subsection (3); or

(c) pay a fee for each employee the advanced air mobility business employs.

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(5) A political subdivision shall provide a reasonable accommodation to an advanced air mobility business with regard to any regulation or restriction on the size of the business.

(6) A political subdivision shall recognize as valid within the political subdivision the business license of an advanced air mobility business obtained in another political subdivision within the state, if the business license is current and in good standing.

(7) (a) A political subdivision may not create a monopoly by entering into an agreement to grant or permit an exclusive right to one or more vertiport owners as the only vertiport owners or operators within the boundary of the political subdivision.

(b) Subsection (7)(a) does not preclude a political subdivision from granting a permit or right to a vertiport owner or operator if only one owner or operator applies for a permit in that political subdivision.

(8) Notwithstanding Subsection (7), if a political subdivision issues a permit to a vertiport owner or operator, unless the vertiport owner, operator, or facility receives any public money, the vertiport owner or operator may exclude other users from using the owner's or operator's vertiport.

[(2)] (9) This chapter supersedes any law, ordinance, or rule enacted by a political subdivision of the state before July 1, [2017] 2022."