

Representative Val L. Peterson proposes the following substitute bill:

TRANSPORTATION FUNDING REQUIREMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kirk A. Cullimore

House Sponsor: Val L. Peterson

LONG TITLE

General Description:

This bill amends provisions related to allowed uses for a certain local option sales and use tax for transportation.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ amends provisions related to the allowed uses for a certain local option sales and use taxes;
- ▶ allows a certain portion of a local option sales and use tax within a county of the first class to be used to fund or provide loans for public transit projects in a county of the first class;
- ▶ amends the distribution for a certain local option sales and use tax;
- ▶ specifies the allowed uses and conditions for a county, city, or town to expend the sales and use tax revenue based on allocations;
- ▶ provides requirements for a county to meet if the county elects to change distribution allocations;
- ▶ requires a city to comply with the moderate income housing plan requirements to receive a sales and use tax distribution;



26 ▶ eliminates the deadline for a county to impose the local option sales and use tax;

27 and

28 ▶ makes technical changes.

29 **Money Appropriated in this Bill:**

30 None

31 **Other Special Clauses:**

32 None

33 **Utah Code Sections Affected:**

34 AMENDS:

35 **10-9a-408**, as last amended by Laws of Utah 2022, Chapter 406

36 **17-27a-408**, as last amended by Laws of Utah 2022, Chapter 406

37 **59-12-2202**, as last amended by Laws of Utah 2019, Chapter 479

38 **59-12-2219**, as last amended by Laws of Utah 2019, Chapter 479

39 **59-12-2220**, as last amended by Laws of Utah 2022, Chapter 259

40 **72-2-121**, as last amended by Laws of Utah 2022, Chapter 259

41 **72-2-124**, as last amended by Laws of Utah 2022, Chapters 69, 259 and 406



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

44 Section 1. Section **10-9a-408** is amended to read:

45 **10-9a-408. Moderate income housing report -- Contents -- Prioritization for**
46 **funds or projects -- Ineligibility for funds after noncompliance -- Civil actions.**

47 (1) As used in this section:

48 (a) "Division" means the Housing and Community Development Division within the
49 Department of Workforce Services.

50 (b) "Implementation plan" means the implementation plan adopted as part of the
51 moderate income housing element of a specified municipality's general plan as provided in
52 Subsection **10-9a-403(2)(c)**.

53 (c) "Moderate income housing report" or "report" means the report described in
54 Subsection (2)(a).

55 (d) "Moderate income housing strategy" means a strategy described in Subsection
56 **10-9a-403(2)(b)(iii)**.

- 57 (e) "Specified municipality" means:
- 58 (i) a city of the first, second, third, or fourth class;
- 59 (ii) a city of the fifth class with a population of 5,000 or more, if the city is located
60 within a county of the first, second, or third class; or
- 61 (iii) a metro township with a population of 5,000 or more.
- 62 (2) (a) Beginning in 2022, on or before October 1 of each calendar year, the legislative
63 body of a specified municipality shall annually submit a written moderate income housing
64 report to the division.
- 65 (b) The moderate income housing report submitted in 2022 shall include:
- 66 (i) a description of each moderate income housing strategy selected by the specified
67 municipality for implementation; and
- 68 (ii) an implementation plan.
- 69 (c) The moderate income housing report submitted in each calendar year after 2022
70 shall include:
- 71 (i) the information required under Subsection (2)(b);
- 72 (ii) a description of each action, whether one-time or ongoing, taken by the specified
73 municipality during the previous fiscal year to implement the moderate income housing
74 strategies selected by the specified municipality for implementation;
- 75 (iii) a description of each land use regulation or land use decision made by the
76 specified municipality during the previous fiscal year to implement the moderate income
77 housing strategies, including an explanation of how the land use regulation or land use decision
78 supports the specified municipality's efforts to implement the moderate income housing
79 strategies;
- 80 (iv) a description of any barriers encountered by the specified municipality in the
81 previous fiscal year in implementing the moderate income housing strategies;
- 82 (v) information regarding the number of internal and external or detached accessory
83 dwelling units located within the specified municipality for which the specified municipality:
- 84 (A) issued a building permit to construct; or
- 85 (B) issued a business license to rent;
- 86 (vi) a description of how the market has responded to the selected moderate income
87 housing strategies, including the number of entitled moderate income housing units or other

88 relevant data; and

89 (vii) any recommendations on how the state can support the specified municipality in
90 implementing the moderate income housing strategies.

91 (d) The moderate income housing report shall be in a form:

92 (i) approved by the division; and

93 (ii) made available by the division on or before July 1 of the year in which the report is
94 required.

95 (3) Within 90 days after the day on which the division receives a specified

96 municipality's moderate income housing report, the division shall:

97 (a) post the report on the division's website;

98 (b) send a copy of the report to the Department of Transportation, the Governor's
99 Office of Planning and Budget, the association of governments in which the specified
100 municipality is located, and, if the specified municipality is located within the boundaries of a
101 metropolitan planning organization, the appropriate metropolitan planning organization; and

102 (c) subject to Subsection (4), review the report to determine compliance with
103 Subsection (2).

104 (4) (a) The report described in Subsection (2)(b) complies with Subsection (2) if the
105 report:

106 (i) includes the information required under Subsection (2)(b);

107 (ii) demonstrates to the division that the specified municipality made plans to
108 implement:

109 (A) three or more moderate income housing strategies if the specified municipality
110 does not have a fixed guideway public transit station; or

111 (B) subject to Subsection 10-9a-403(2)(b)(iv), five or more moderate income housing
112 strategies if the specified municipality has a fixed guideway public transit station; and

113 (iii) is in a form approved by the division.

114 (b) The report described in Subsection (2)(c) complies with Subsection (2) if the
115 report:

116 (i) includes the information required under Subsection (2)(c);

117 (ii) demonstrates to the division that the specified municipality made plans to
118 implement:

- 119 (A) three or more moderate income housing strategies if the specified municipality
120 does not have a fixed guideway public transit station; or
- 121 (B) four or more moderate income housing strategies if the specified municipality has a
122 fixed guideway public transit station;
- 123 (iii) is in a form approved by the division; and
- 124 (iv) provides sufficient information for the division to:
- 125 (A) assess the specified municipality's progress in implementing the moderate income
126 housing strategies;
- 127 (B) monitor compliance with the specified municipality's implementation plan;
- 128 (C) identify a clear correlation between the specified municipality's land use
129 regulations and land use decisions and the specified municipality's efforts to implement the
130 moderate income housing strategies; and
- 131 (D) identify how the market has responded to the specified municipality's selected
132 moderate income housing strategies.
- 133 (5) (a) A specified municipality qualifies for priority consideration under this
134 Subsection (5) if the specified municipality's moderate income housing report:
- 135 (i) complies with Subsection (2); and
- 136 (ii) demonstrates to the division that the specified municipality made plans to
137 implement:
- 138 (A) five or more moderate income housing strategies if the specified municipality does
139 not have a fixed guideway public transit station; or
- 140 (B) six or more moderate income housing strategies if the specified municipality has a
141 fixed guideway public transit station.
- 142 (b) The following apply to a specified municipality described in Subsection (5)(a)
143 during the fiscal year immediately following the fiscal year in which the report is required:
- 144 (i) the Transportation Commission may give priority consideration to transportation
145 projects located within the boundaries of the specified municipality in accordance with
146 Subsection 72-1-304(3)(c); and
- 147 (ii) the Governor's Office of Planning and Budget may give priority consideration for
148 awarding financial grants to the specified municipality under the COVID-19 Local Assistance
149 Matching Grant Program in accordance with Subsection 63J-4-802(6).

150 (c) Upon determining that a specified municipality qualifies for priority consideration
151 under this Subsection (5), the division shall send a notice of prioritization to the legislative
152 body of the specified municipality, the Department of Transportation, and the Governor's
153 Office of Planning and Budget.

154 (d) The notice described in Subsection (5)(c) shall:

155 (i) name the specified municipality that qualifies for priority consideration;

156 (ii) describe the funds or projects for which the specified municipality qualifies to
157 receive priority consideration;

158 (iii) specify the fiscal year during which the specified municipality qualifies for priority
159 consideration; and

160 (iv) state the basis for the division's determination that the specified municipality
161 qualifies for priority consideration.

162 (6) (a) If the division, after reviewing a specified municipality's moderate income
163 housing report, determines that the report does not comply with Subsection (2), the division
164 shall send a notice of noncompliance to the legislative body of the specified municipality.

165 (b) The notice described in Subsection (6)(a) shall:

166 (i) describe each deficiency in the report and the actions needed to cure each
167 deficiency;

168 (ii) state that the specified municipality has an opportunity to cure the deficiencies
169 within 90 days after the day on which the notice is sent; and

170 (iii) state that failure to cure the deficiencies within 90 days after the day on which the
171 notice is sent will result in ineligibility for funds under Subsection (7).

172 (7) (a) A specified municipality is ineligible for funds under this Subsection (7) if the
173 specified municipality:

174 (i) fails to submit a moderate income housing report to the division; or

175 (ii) fails to cure the deficiencies in the specified municipality's moderate income
176 housing report within 90 days after the day on which the division sent to the specified
177 municipality a notice of noncompliance under Subsection (6).

178 (b) The following apply to a specified municipality described in Subsection (7)(a)
179 during the fiscal year immediately following the fiscal year in which the report is required:

180 (i) the executive director of the Department of Transportation may not program funds

181 from the Transportation Investment Fund of 2005, including the Transit Transportation
182 Investment Fund, to projects located within the boundaries of the specified municipality in
183 accordance with Subsection 72-2-124(5); and

184 (ii) the Governor's Office of Planning and Budget may not award financial grants to the
185 specified municipality under the COVID-19 Local Assistance Matching Grant Program in
186 accordance with Subsection 63J-4-802(7).

187 (c) Upon determining that a specified municipality is ineligible for funds under this
188 Subsection (7), the division shall send a notice of ineligibility to the legislative body of the
189 specified municipality, the Department of Transportation, the State Tax Commission, and the
190 Governor's Office of Planning and Budget.

191 (d) The notice described in Subsection (7)(c) shall:

192 (i) name the specified municipality that is ineligible for funds;

193 (ii) describe the funds for which the specified municipality is ineligible to receive;

194 (iii) specify the fiscal year during which the specified municipality is ineligible for
195 funds; and

196 (iv) state the basis for the division's determination that the specified municipality is
197 ineligible for funds.

198 (8) In a civil action seeking enforcement or claiming a violation of this section or of
199 Subsection 10-9a-404(4)(c), a plaintiff may not recover damages but may be awarded only
200 injunctive or other equitable relief.

201 Section 2. Section 17-27a-408 is amended to read:

202 **17-27a-408. Moderate income housing report -- Contents -- Prioritization for**
203 **funds or projects -- Ineligibility for funds after noncompliance -- Civil actions.**

204 (1) As used in this section:

205 (a) "Division" means the Housing and Community Development Division within the
206 Department of Workforce Services.

207 (b) "Implementation plan" means the implementation plan adopted as part of the
208 moderate income housing element of a specified county's general plan as provided in
209 Subsection 10-9a-403(2)(c).

210 (c) "Moderate income housing report" or "report" means the report described in
211 Subsection (2)(a).

212 (d) "Moderate income housing strategy" means a strategy described in Subsection
213 17-27a-403(2)(b)(ii).

214 (e) "Specified county" means a county of the first, second, or third class, which has a
215 population of more than 5,000 in the county's unincorporated areas.

216 (2) (a) Beginning in 2022, on or before October 1 of each calendar year, the legislative
217 body of a specified county shall annually submit a written moderate income housing report to
218 the division.

219 (b) The moderate income housing report submitted in 2022 shall include:

220 (i) a description of each moderate income housing strategy selected by the specified
221 county for implementation; and

222 (ii) an implementation plan.

223 (c) The moderate income housing report submitted in each calendar year after 2022
224 shall include:

225 (i) the information required under Subsection (2)(b);

226 (ii) a description of each action, whether one-time or ongoing, taken by the specified
227 county during the previous fiscal year to implement the moderate income housing strategies
228 selected by the specified county for implementation;

229 (iii) a description of each land use regulation or land use decision made by the
230 specified county during the previous fiscal year to implement the moderate income housing
231 strategies, including an explanation of how the land use regulation or land use decision
232 supports the specified county's efforts to implement the moderate income housing strategies;

233 (iv) a description of any barriers encountered by the specified county in the previous
234 fiscal year in implementing the moderate income housing strategies; and

235 (v) information regarding the number of internal and external or detached accessory
236 dwelling units located within the specified county for which the specified county:

237 (A) issued a building permit to construct; or

238 (B) issued a business license to rent;

239 (vi) a description of how the market has responded to the selected moderate income
240 housing strategies, including the number of entitled moderate income housing units or other
241 relevant data; and

242 (vii) any recommendations on how the state can support the specified county in

243 implementing the moderate income housing strategies.

244 (d) The moderate income housing report shall be in a form:

245 (i) approved by the division; and

246 (ii) made available by the division on or before July 1 of the year in which the report is
247 required.

248 (3) Within 90 days after the day on which the division receives a specified county's
249 moderate income housing report, the division shall:

250 (a) post the report on the division's website;

251 (b) send a copy of the report to the Department of Transportation, the Governor's
252 Office of Planning and Budget, the association of governments in which the specified county is
253 located, and, if the unincorporated area of the specified county is located within the boundaries
254 of a metropolitan planning organization, the appropriate metropolitan planning organization;
255 and

256 (c) subject to Subsection (4), review the report to determine compliance with
257 Subsection (2).

258 (4) (a) The report described in Subsection (2)(b) complies with Subsection (2) if the
259 report:

260 (i) includes the information required under Subsection (2)(b);

261 (ii) demonstrates to the division that the specified county made plans to implement
262 three or more moderate income housing strategies; and

263 (iii) is in a form approved by the division.

264 (b) The report described in Subsection (2)(c) complies with Subsection (2) if the
265 report:

266 (i) includes the information required under Subsection (2)(c);

267 (ii) demonstrates to the division that the specified county made plans to implement
268 three or more moderate income housing strategies;

269 (iii) is in a form approved by the division; and

270 (iv) provides sufficient information for the division to:

271 (A) assess the specified county's progress in implementing the moderate income
272 housing strategies;

273 (B) monitor compliance with the specified county's implementation plan;

274 (C) identify a clear correlation between the specified county's land use decisions and
275 efforts to implement the moderate income housing strategies; and

276 (D) identify how the market has responded to the specified county's selected moderate
277 income housing strategies.

278 (5) (a) A specified county qualifies for priority consideration under this Subsection (5)
279 if the specified county's moderate income housing report:

280 (i) complies with Subsection (2); and

281 (ii) demonstrates to the division that the specified county made plans to implement five
282 or more moderate income housing strategies.

283 (b) The following apply to a specified county described in Subsection (5)(a) during the
284 fiscal year immediately following the fiscal year in which the report is required:

285 (i) the Transportation Commission may give priority consideration to transportation
286 projects located within the unincorporated areas of the specified county in accordance with
287 Subsection 72-1-304(3)(c); and

288 (ii) the Governor's Office of Planning and Budget may give priority consideration for
289 awarding financial grants to the specified county under the COVID-19 Local Assistance
290 Matching Grant Program in accordance with Subsection 63J-4-802(6).

291 (c) Upon determining that a specified county qualifies for priority consideration under
292 this Subsection (5), the division shall send a notice of prioritization to the legislative body of
293 the specified county, the Department of Transportation, and the Governor's Office of Planning
294 and Budget.

295 (d) The notice described in Subsection (5)(c) shall:

296 (i) name the specified county that qualifies for priority consideration;

297 (ii) describe the funds or projects for which the specified county qualifies to receive
298 priority consideration;

299 (iii) specify the fiscal year during which the specified county qualifies for priority
300 consideration; and

301 (iv) state the basis for the division's determination that the specified county qualifies
302 for priority consideration.

303 (6) (a) If the division, after reviewing a specified county's moderate income housing
304 report, determines that the report does not comply with Subsection (2), the division shall send a

305 notice of noncompliance to the legislative body of the specified county.

306 (b) The notice described in Subsection (6)(a) shall:

307 (i) describe each deficiency in the report and the actions needed to cure each
308 deficiency;

309 (ii) state that the specified county has an opportunity to cure the deficiencies within 90
310 days after the day on which the notice is sent; and

311 (iii) state that failure to cure the deficiencies within 90 days after the day on which the
312 notice is sent will result in ineligibility for funds under Subsection (7).

313 (7) (a) A specified county is ineligible for funds under this Subsection (7) if the
314 specified county:

315 (i) fails to submit a moderate income housing report to the division; or

316 (ii) fails to cure the deficiencies in the specified county's moderate income housing
317 report within 90 days after the day on which the division sent to the specified county a notice of
318 noncompliance under Subsection (6).

319 (b) The following apply to a specified county described in Subsection (7)(a) during the
320 fiscal year immediately following the fiscal year in which the report is required:

321 (i) the executive director of the Department of Transportation may not program funds
322 from the Transportation Investment Fund of 2005, including the Transit Transportation
323 Investment Fund, to projects located within the unincorporated areas of the specified county in
324 accordance with Subsection 72-2-124(6); and

325 (ii) the Governor's Office of Planning and Budget may not award financial grants to the
326 specified county under the COVID-19 Local Assistance Matching Grant Program in
327 accordance with Subsection 63J-4-802(7).

328 (c) Upon determining that a specified county is ineligible for funds under this
329 Subsection (7), the division shall send a notice of ineligibility to the legislative body of the
330 specified county, the Department of Transportation, the State Tax Commission, and the
331 Governor's Office of Planning and Budget.

332 (d) The notice described in Subsection (7)(c) shall:

333 (i) name the specified county that is ineligible for funds;

334 (ii) describe the funds for which the specified county is ineligible to receive;

335 (iii) specify the fiscal year during which the specified county is ineligible for funds;

336 and

337 (iv) state the basis for the division's determination that the specified county is ineligible
338 for funds.

339 (8) In a civil action seeking enforcement or claiming a violation of this section or of
340 Subsection 17-27a-404(5)(c), a plaintiff may not recover damages but may be awarded only
341 injunctive or other equitable relief.

342 Section 3. Section 59-12-2202 is amended to read:

343 **59-12-2202. Definitions.**

344 As used in this part:

345 (1) "Airline" means the same as that term is defined in Section 59-2-102.

346 (2) "Airport facility" means the same as that term is defined in Section 59-12-602.

347 (3) "Airport of regional significance" means an airport identified by the Federal
348 Aviation Administration in the most current National Plan of Integrated Airport Systems or an
349 update to the National Plan of Integrated Airport Systems.

350 (4) "Annexation" means an annexation to:

351 (a) a county under Title 17, Chapter 2, County Consolidations and Annexations; or

352 (b) a city or town under Title 10, Chapter 2, Part 4, Annexation.

353 (5) "Annexing area" means an area that is annexed into a county, city, or town.

354 (6) "Class A road" means the same as that term is described in Section 72-3-102.

355 (7) "Class B road" means the same as that term is described in Section 72-3-103.

356 (8) "Class C road" means the same as that term is described in Section 72-3-104.

357 (9) "Class D road" means the same as that term is described in Section 72-3-105.

358 (10) "Council of governments" means the same as that term is defined in Section
359 72-2-117.5.

360 (11) "Eligible political subdivision" means a political subdivision that:

361 (a) provides public transit services;

362 (b) is not a public transit district; and

363 (c) is not annexed into a public transit district.

364 [(H)] (12) "Fixed guideway" means the same as that term is defined in Section
365 59-12-102.

366 [(H2)] (13) "Large public transit district" means the same as that term is defined in

367 Section [17B-2a-802](#).

368 ~~[(13)]~~ (14) "Major collector highway" means the same as that term is defined in
369 Section [72-4-102.5](#).

370 ~~[(14)]~~ (15) "Metropolitan planning organization" means the same as that term is
371 defined in Section [72-1-208.5](#).

372 ~~[(15)]~~ (16) "Minor arterial highway" means the same as that term is defined in Section
373 [72-4-102.5](#).

374 ~~[(16)]~~ (17) "Minor collector road" means the same as that term is defined in Section
375 [72-4-102.5](#).

376 ~~[(17)]~~ (18) "Principal arterial highway" means the same as that term is defined in
377 Section [72-4-102.5](#).

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

379 (20) "Public transit district" means the same as that term is defined in Section
380 [17B-2a-802](#).

381 (21) "Public transit provider" means a public transit district or an eligible political
382 subdivision.

383 (22) "Public transit service" means a service provided as part of public transit.

384 ~~[(18)]~~ (23) "Regionally significant transportation facility" means:

385 (a) in a county of the first or second class:

386 (i) a principal arterial highway;

387 (ii) a minor arterial highway;

388 (iii) a fixed guideway that:

389 (A) extends across two or more cities or unincorporated areas; or

390 (B) is an extension to an existing fixed guideway; or

391 (iv) an airport of regional significance; or

392 (b) in a county of the second class that is not part of a large public transit district, or in
393 a county of the third, fourth, fifth, or sixth class:

394 (i) a principal arterial highway;

395 (ii) a minor arterial highway;

396 (iii) a major collector highway;

397 (iv) a minor collector road; or

398 (v) an airport of regional significance.

399 [(19)] (24) "State highway" means a highway designated as a state highway under Title
400 72, Chapter 4, Designation of State Highways Act.

401 [(20)] (25) (a) Subject to Subsection [(20)(b)] (25)(b), "system for public transit"
402 means the same as the term "public transit" is defined in Section 17B-2a-802.

403 (b) "System for public transit" includes:

404 (i) the following costs related to public transit:

405 (A) maintenance costs; or

406 (B) operating costs;

407 (ii) a fixed guideway;

408 (iii) a park and ride facility;

409 (iv) a passenger station or passenger terminal;

410 (v) a right-of-way for public transit; or

411 (vi) the following that serve a public transit facility:

412 (A) a maintenance facility;

413 (B) a platform;

414 (C) a repair facility;

415 (D) a roadway;

416 (E) a storage facility;

417 (F) a utility line; or

418 (G) a facility or item similar to those described in Subsections [(20)(b)(vi)(A)]

419 (25)(b)(vi)(A) through (F).

420 Section 4. Section 59-12-2219 is amended to read:

421 **59-12-2219. County option sales and use tax for highways and public transit --**

422 **Base -- Rate -- Distribution and expenditure of revenue -- Revenue may not supplant**

423 **existing budgeted transportation revenue.**

424 [(1) As used in this section:]

425 [(a) "Eligible political subdivision" means a political subdivision that:]

426 [(i) (A) on May 12, 2015, provides public transit services; or]

427 [(B) after May 12, 2015, provides written notice to the commission in accordance with

428 Subsection (9)(b) that it intends to provide public transit service within a county;]

429 ~~[(ii) is not a public transit district; and]~~

430 ~~[(iii) is not annexed into a public transit district.]~~

431 ~~[(b) "Public transit district" means a public transit district organized under Title 17B,~~
432 ~~Chapter 2a, Part 8, Public Transit District Act.]~~

433 ~~[(2)]~~ (1) Subject to the other provisions of this part, and subject to Subsection ~~[(14)]~~
434 (13), a county legislative body may impose a sales and use tax of .25% on the transactions
435 described in Subsection 59-12-103(1) within the county, including the cities and towns within
436 the county.

437 ~~[(3)]~~ (2) Subject to Subsection ~~[(10)]~~ (9), the commission shall distribute sales and use
438 tax revenue collected under this section as provided in Subsections ~~[(4) through (9)]~~ (3)
439 through (8).

440 ~~[(4)]~~ (3) If the entire boundary of a county that imposes a sales and use tax under this
441 section is annexed into a single public transit district, the commission shall distribute the sales
442 and use tax revenue collected within the county as follows:

443 (a) .10% shall be transferred to the public transit district in accordance with Section
444 59-12-2206;

445 (b) .10% shall be distributed as provided in Subsection ~~[(7)]~~ (6); and

446 (c) .05% shall be distributed to the county legislative body.

447 ~~[(5)]~~ (4) If the entire boundary of a county that imposes a sales and use tax under this
448 section is not annexed into a single public transit district, but a city or town within the county is
449 annexed into a single large public transit district, the commission shall distribute the sales and
450 use tax revenue collected within the county as follows:

451 (a) for a city or town within the county that is annexed into a single public transit
452 district, the commission shall distribute the sales and use tax revenue collected within that city
453 or town as follows:

454 (i) .10% shall be transferred to the public transit district in accordance with Section
455 59-12-2206;

456 (ii) .10% shall be distributed as provided in Subsection ~~[(7)]~~ (6); and

457 (iii) .05% shall be distributed to the county legislative body;

458 (b) for an eligible political subdivision within the county, the commission shall
459 distribute the sales and use tax revenue collected within that eligible political subdivision as

460 follows:

461 (i) .10% shall be transferred to the eligible political subdivision in accordance with
462 Section [59-12-2206](#);

463 (ii) .10% shall be distributed as provided in Subsection ~~[(7)]~~ [\(6\)](#); and

464 (iii) .05% shall be distributed to the county legislative body; and

465 (c) the commission shall distribute the sales and use tax revenue, except for the sales
466 and use tax revenue described in Subsections ~~[(5)(a)]~~ [\(4\)\(a\)](#) and (b), as follows:

467 (i) .10% shall be distributed as provided in Subsection ~~[(7)]~~ [\(6\)](#); and

468 (ii) .15% shall be distributed to the county legislative body.

469 ~~[(6)]~~ [\(5\)](#) For a county not described in Subsection ~~[(4) or (5)]~~ [\(3\) or \(4\)](#), if a county of
470 the second, third, fourth, fifth, or sixth class imposes a sales and use tax under this section, the
471 commission shall distribute the sales and use tax revenue collected within the county as
472 follows:

473 (a) for a city or town within the county that is annexed into a single public transit
474 district, the commission shall distribute the sales and use tax revenue collected within that city
475 or town as follows:

476 (i) .10% shall be distributed as provided in Subsection ~~[(7)]~~ [\(6\)](#);

477 (ii) .10% shall be distributed as provided in Subsection ~~[(8)]~~ [\(7\)](#); and

478 (iii) .05% shall be distributed to the county legislative body;

479 (b) for an eligible political subdivision within the county, the commission shall
480 distribute the sales and use tax revenue collected within that eligible political subdivision as
481 follows:

482 (i) .10% shall be distributed as provided in Subsection ~~[(7)]~~ [\(6\)](#);

483 (ii) .10% shall be distributed as provided in Subsection ~~[(8)]~~ [\(7\)](#); and

484 (iii) .05% shall be distributed to the county legislative body; and

485 (c) the commission shall distribute the sales and use tax revenue, except for the sales
486 and use tax revenue described in Subsections ~~[(6)(a)]~~ [\(5\)\(a\)](#) and (b), as follows:

487 (i) .10% shall be distributed as provided in Subsection ~~[(7)]~~ [\(6\)](#); and

488 (ii) .15% shall be distributed to the county legislative body.

489 ~~[(7)]~~ [\(6\)](#) (a) Subject to Subsection ~~[(7)(b)]~~ [\(6\)\(b\)](#), the commission shall make the
490 distributions required by Subsections ~~[(4)(b), (5)(a)(ii), (5)(b)(ii), (5)(c)(i), (6)(a)(i), (6)(b)(i),~~

491 ~~(6)(c)(i), and (8)(d)(ii)(A)]~~ (3)(b), (4)(a)(ii), (4)(b)(ii), (4)(c)(i), (5)(a)(i), (5)(b)(i), (5)(c)(i), and
 492 (7)(d)(ii)(A) as follows:

493 (i) 50% of the total revenue collected under Subsections [~~(4)(b), (5)(a)(ii), (5)(b)(ii),~~
 494 ~~(5)(c)(i), (6)(a)(i), (6)(b)(i), (6)(c)(i), and (8)(d)(ii)(A)]~~ (3)(b), (4)(a)(ii), (4)(b)(ii), (4)(c)(i),
 495 (5)(a)(i), (5)(b)(i), (5)(c)(i), and (7)(d)(ii)(A) within the counties and cities that impose a tax
 496 under this section shall be distributed to the unincorporated areas, cities, and towns within
 497 those counties and cities on the basis of the percentage that the population of each
 498 unincorporated area, city, or town bears to the total population of all of the counties and cities
 499 that impose a tax under this section; and

500 (ii) 50% of the total revenue collected under Subsections [~~(4)(b), (5)(a)(ii), (5)(b)(ii),~~
 501 ~~(5)(c)(i), (6)(a)(i), (6)(b)(i), (6)(c)(i), and (8)(d)(ii)(A)]~~ (3)(b), (4)(a)(ii), (4)(b)(ii), (4)(c)(i),
 502 (5)(a)(i), (5)(b)(i), (5)(c)(i), and (7)(d)(ii)(A) within the counties and cities that impose a tax
 503 under this section shall be distributed to the unincorporated areas, cities, and towns within
 504 those counties and cities on the basis of the location of the transaction as determined under
 505 Sections [59-12-211](#) through [59-12-215](#).

506 (b) (i) Population for purposes of this Subsection [~~(7)]~~ (6) shall be determined on the
 507 basis of the most recent official census or census estimate of the United States Bureau of the
 508 Census.

509 (ii) If a needed population estimate is not available from the United States Bureau of
 510 the Census, population figures shall be derived from an estimate from the Utah Population
 511 Committee.

512 [~~(8)]~~ (7) (a) (i) Subject to the requirements in Subsections [~~(8)(b)]~~ (7)(b) and (c), a
 513 county legislative body:

514 (A) for a county that obtained approval from a majority of the county's registered
 515 voters voting on the imposition of a sales and use tax under this section prior to May 10, 2016,
 516 may, in consultation with any cities, towns, or eligible political subdivisions within the county,
 517 and in compliance with the requirements for changing an allocation under Subsection [~~(8)(e)]~~
 518 (7)(e), allocate the revenue under Subsection [~~(6)(a)(ii) or (6)(b)(ii)]~~ (5)(a)(ii) or (5)(b)(ii) by
 519 adopting a resolution specifying the percentage of revenue under Subsection [~~(6)(a)(ii) or~~
 520 ~~(6)(b)(ii)]~~ (5)(a)(ii) or (5)(b)(ii) that will be allocated to a public transit district or an eligible
 521 political subdivision; or

522 (B) for a county that imposes a sales and use tax under this section on or after May 10,
523 2016, shall, in consultation with any cities, towns, or eligible political subdivisions within the
524 county, allocate the revenue under Subsection [~~(6)(a)(ii) or (6)(b)(ii)~~] (5)(a)(ii) or (5)(b)(ii) by
525 adopting a resolution specifying the percentage of revenue under Subsection [~~(6)(a)(ii) or~~
526 ~~(6)(b)(ii)~~] (5)(a)(ii) or (5)(b)(ii) that will be allocated to a public transit district or an eligible
527 political subdivision.

528 (ii) If a county described in Subsection [~~(8)(a)(i)(A)~~] (7)(a)(i)(A) does not allocate the
529 revenue under Subsection [~~(6)(a)(ii) or (6)(b)(ii)~~] (5)(a)(ii) or (5)(b)(ii) in accordance with
530 Subsection [~~(8)(a)(i)(A)~~] (7)(a)(i)(A), the commission shall distribute 100% of the revenue
531 under Subsection [~~(6)(a)(ii) or (6)(b)(ii)~~] (5)(a)(ii) or (5)(b)(ii) to:

532 (A) a public transit district for a city or town within the county that is annexed into a
533 single public transit district; or

534 (B) an eligible political subdivision within the county.

535 (b) If a county legislative body allocates the revenue as described in Subsection
536 [~~(8)(a)(i)~~] (7)(a)(i), the county legislative body shall allocate not less than 25% of the revenue
537 under Subsection [~~(6)(a)(ii) or (6)(b)(ii)~~] (5)(a)(ii) or (5)(b)(ii) to:

538 (i) a public transit district for a city or town within the county that is annexed into a
539 single public transit district; or

540 (ii) an eligible political subdivision within the county.

541 (c) Notwithstanding Section [59-12-2208](#), the opinion question described in Section
542 [59-12-2208](#) shall state the allocations the county legislative body makes in accordance with this
543 Subsection [~~(8)~~] (7).

544 (d) The commission shall make the distributions required by Subsection [~~(6)(a)(ii) or~~
545 ~~(6)(b)(ii)~~] (5)(a)(ii) or (5)(b)(ii) as follows:

546 (i) the percentage specified by a county legislative body shall be distributed in
547 accordance with a resolution adopted by a county legislative body under Subsection [~~(8)(a)~~]
548 (7)(a) to an eligible political subdivision or a public transit district within the county; and

549 (ii) except as provided in Subsection [~~(8)(a)(ii)~~] (7)(a)(ii), if a county legislative body
550 allocates less than 100% of the revenue under Subsection [~~(6)(a)(ii) or (6)(b)(ii)~~] (5)(a)(ii) or
551 (5)(b)(ii) to a public transit district or an eligible political subdivision, the remainder of the
552 revenue under Subsection [~~(6)(a)(ii) or (6)(b)(ii)~~] (5)(a)(ii) or (5)(b)(ii) not allocated by a

553 county legislative body through a resolution under Subsection [~~(8)(a)~~] (7)(a) shall be
554 distributed as follows:

555 (A) 50% of the revenue as provided in Subsection [~~(7)~~] (6); and

556 (B) 50% of the revenue to the county legislative body.

557 (e) If a county legislative body seeks to change an allocation specified in a resolution
558 under Subsection [~~(8)(a)~~] (7)(a), the county legislative body may change the allocation by:

559 (i) adopting a resolution in accordance with Subsection [~~(8)(a)~~] (7)(a) specifying the
560 percentage of revenue under Subsection [~~(6)(a)(ii) or (6)(b)(ii)~~] (5)(a)(ii) or (5)(b)(ii) that will
561 be allocated to a public transit district or an eligible political subdivision;

562 (ii) obtaining approval to change the allocation of the sales and use tax by a majority of
563 all the members of the county legislative body; and

564 (iii) subject to Subsection [~~(8)(f)~~] (7)(f):

565 (A) in accordance with Section [59-12-2208](#), submitting an opinion question to the
566 county's registered voters voting on changing the allocation so that each registered voter has the
567 opportunity to express the registered voter's opinion on whether the allocation should be
568 changed; and

569 (B) in accordance with Section [59-12-2208](#), obtaining approval to change the
570 allocation from a majority of the county's registered voters voting on changing the allocation.

571 (f) Notwithstanding Section [59-12-2208](#), the opinion question required by Subsection
572 [~~(8)(e)(iii)(A)~~] (7)(e)(iii)(A) shall state the allocations specified in the resolution adopted in
573 accordance with Subsection [~~(8)(e)~~] (7)(e) and approved by the county legislative body in
574 accordance with Subsection [~~(8)(e)(ii)~~] (7)(e)(ii).

575 (g) (i) If a county makes an allocation by adopting a resolution under Subsection
576 [~~(8)(a)~~] (7)(a) or changes an allocation by adopting a resolution under Subsection [~~(8)(e)~~]
577 (7)(e), the allocation shall take effect on the first distribution the commission makes under this
578 section after a 90-day period that begins on the date the commission receives written notice
579 meeting the requirements of Subsection [~~(8)(g)(ii)~~] (7)(g)(ii) from the county.

580 (ii) The notice described in Subsection [~~(8)(g)(i)~~] (7)(g)(i) shall state:

581 (A) that the county will make or change the percentage of an allocation under
582 Subsection [~~(8)(a)~~] (7)(a) or (e); and

583 (B) the percentage of revenue under Subsection [~~(6)(a)(ii) or (6)(b)(ii)~~] (5)(a)(ii) or

584 (5)(b)(ii) that will be allocated to a public transit district or an eligible political subdivision.

585 ~~[(9)]~~ (8) (a) If a public transit district is organized after the date a county legislative
586 body first imposes a tax under this section, a change in a distribution required by this section
587 may not take effect until the first distribution the commission makes under this section after a
588 90-day period that begins on the date the commission receives written notice from the public
589 transit district of the organization of the public transit district.

590 (b) If an eligible political subdivision intends to provide public transit service within a
591 county after the date a county legislative body first imposes a tax under this section, a change
592 in a distribution required by this section may not take effect until the first distribution the
593 commission makes under this section after a 90-day period that begins on the date the
594 commission receives written notice from the eligible political subdivision stating that the
595 eligible political subdivision intends to provide public transit service within the county.

596 ~~[(10)]~~ (9) (a) (i) Notwithstanding Subsections ~~[(4) through (9)]~~ (3) through (8), for a
597 county that has not imposed a sales and use tax under this section before May 8, 2018, and if
598 the county imposes a sales and use tax under this section before June 30, 2019, the commission
599 shall distribute all of the sales and use tax revenue collected by the county before June 30,
600 2019, to the county for the purposes described in Subsection ~~[(10)(a)(i)]~~ (9)(a)(ii).

601 (ii) For any revenue collected by a county pursuant to Subsection ~~[(10)(a)(i)]~~ (9)(a)(ii)
602 before June 30, 2019, the county may expend that revenue for:

- 603 (A) reducing transportation related debt;
604 (B) a regionally significant transportation facility; or
605 (C) a public transit project of regional significance.

606 (b) For a county that has not imposed a sales and use tax under this section before May
607 8, 2018, and if the county imposes a sales and use tax under this section before June 30, 2019,
608 the commission shall distribute the sales and use tax revenue collected by the county on or after
609 July 1, 2019, as described in Subsections ~~[(4) through (9)]~~ (3) through (8).

610 (c) For a county that has not imposed a sales and use tax under this section before June
611 30, 2019, if the entire boundary of that county is annexed into a large public transit district, and
612 if the county imposes a sales and use tax under this section on or after July 1, 2019, the
613 commission shall distribute the sales and use tax revenue collected by the county as described
614 in Subsections ~~[(4) through (9)]~~ (3) through (8).

615 ~~[(11)]~~ (10) A county, city, or town may expend revenue collected from a tax under this
616 section, except for revenue the commission distributes in accordance with Subsection ~~[(4)(a);~~
617 ~~(5)(a)(i), (5)(b)(i), or (8)(d)(i)]~~ (3)(a), (4)(a)(i), (4)(b)(i), or (7)(d)(i), for a purpose described in
618 Section [59-12-2212.2](#).

619 ~~[(12)]~~ (11) A public transit district or an eligible political subdivision may expend
620 revenue the commission distributes in accordance with Subsection ~~[(4)(a), (5)(a)(i), (5)(b)(i), or~~
621 ~~(8)(d)(i)]~~ (3)(a), (4)(a)(i), (4)(b)(i), or (7)(d)(i) for capital expenses and service delivery
622 expenses of the public transit district or eligible political subdivision.

623 ~~[(13)]~~ (12) Notwithstanding Section [59-12-2208](#), a county, city, or town legislative
624 body may, but is not required to, submit an opinion question to the county's, city's, or town's
625 registered voters in accordance with Section [59-12-2208](#) to impose a sales and use tax under
626 this section.

627 ~~[(14)]~~ (13) (a) (i) Notwithstanding any other provision in this section, if the entire
628 boundary of a county is annexed into a large public transit district, if the county legislative
629 body wishes to impose a sales and use tax under this section, the county legislative body shall
630 pass the ordinance to impose a sales and use tax under this section on or before June 30, 2022.

631 (ii) If the entire boundary of a county is annexed into a large public transit district, the
632 county legislative body may not pass an ordinance to impose a sales and use tax under this
633 section on or after July 1, 2022.

634 (b) Notwithstanding the deadline described in Subsection ~~[(14)(a)]~~ (13)(a), any sales
635 and use tax imposed under this section by passage of a county ordinance on or before June 30,
636 2022, may remain in effect.

637 ~~[(15)]~~ (14) (a) Beginning on July 1, 2020, and subject to Subsection ~~[(16)]~~ (15), if a
638 county has not imposed a sales and use tax under this section, subject to the provisions of this
639 part, the legislative body of a city or town described in Subsection ~~[(15)(b)]~~ (14)(b) may
640 impose a .25% sales and use tax on the transactions described in Subsection [59-12-103\(1\)](#)
641 within the city or town.

642 (b) The following cities or towns may impose a sales and use tax described in
643 Subsection ~~[(15)(a)]~~ (14)(a):

644 (i) a city or town that has been annexed into a public transit district; or

645 (ii) an eligible political subdivision.

646 (c) If a city or town imposes a sales and use tax as provided in this section, the
647 commission shall distribute the sales and use tax revenue collected by the city or town as
648 follows:

649 (i) .125% to the city or town that imposed the sales and use tax, to be distributed as
650 provided in Subsection ~~[(7)]~~ (6); and

651 (ii) .125%, as applicable, to:

652 (A) the public transit district in which the city or town is annexed; or

653 (B) the eligible political subdivision for public transit services.

654 (d) If a city or town imposes a sales and use tax under this section and the county
655 subsequently imposes a sales and use tax under this section, the commission shall distribute the
656 sales and use tax revenue collected within the city or town as described in Subsection ~~[(15)(e)]~~
657 (14)(c).

658 ~~[(16)]~~ (15) (a) (i) Notwithstanding any other provision in this section, if a city or town
659 legislative body wishes to impose a sales and use tax under this section, the city or town
660 legislative body shall pass the ordinance to impose a sales and use tax under this section on or
661 before June 30, 2022.

662 (ii) A city or town legislative body may not pass an ordinance to impose a sales and use
663 tax under this section on or after July 1, 2022.

664 (b) Notwithstanding the deadline described in Subsection ~~[(16)(a)]~~ (15)(a), any sales
665 and use tax imposed under this section by passage of an ordinance by a city or town legislative
666 body on or before June 30, 2022, may remain in effect.

667 Section 5. Section **59-12-2220** is amended to read:

668 **59-12-2220. County option sales and use tax to fund highways or a system for**
669 **public transit -- Base -- Rate.**

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

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

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

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

- 679 (A) Section 59-12-2213;
- 680 (B) Section 59-12-2214;
- 681 (C) Section 59-12-2215;
- 682 (D) Section 59-12-2216;
- 683 (E) Section 59-12-2217;
- 684 (F) Section 59-12-2218; and
- 685 (G) Section 59-12-2219;

686 (b) if the county is not annexed into a large public transit district, the county legislative
687 body may impose the sales and use tax on the transactions described in Subsection
688 59-12-103(1) located within the county, including the cities and towns within the county if:

- 689 (i) the county is an eligible political subdivision [~~as defined in Section 59-12-2219~~]; or
- 690 (ii) a city or town within the boundary of the county is an eligible political subdivision[
691 ~~as defined in Section 59-12-2219~~]; or

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

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

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

- 701 [~~(a) a public transit district;~~]
- 702 [~~(b) an eligible political subdivision, as that term is defined in Section 59-12-2219; or~~]
- 703 [~~(c) another entity providing a service for public transit or a transit facility within the
704 county as those terms are defined in Section 17B-2a-802.~~]

705 (3) (a) The commission shall distribute sales and use tax revenue collected under this
706 section as determined by a county legislative body as described in Subsection (3)(b).

707 (b) If a county legislative body imposes a sales and use tax as described in this section,

708 the county legislative body may elect to impose a sales and use tax revenue distribution as
709 described in Subsection (4), (5), (6), or (7), depending on the class of county, and presence and
710 type of a public transit provider in the county.

711 (4) If a county legislative body imposes a sales and use tax as described in this section,
712 and the entire boundary of the county is annexed into a large public transit district, and the
713 county is a county of the first class, the commission shall distribute the sales and use tax
714 revenue as follows:

715 (a) .10% to a public transit district as described in Subsection (11);

716 (b) .05% to the cities and towns as provided in Subsection (8); and

717 (c) .05% to the county legislative body.

718 (5) If a county legislative body imposes a sales and use tax as described in this section
719 and the entire boundary of the county is annexed into a large public transit district, and the
720 county is a county not described in Subsection (4), the commission shall distribute the sales
721 and use tax revenue as follows:

722 (a) .10% to a public transit district as described in Subsection (11);

723 (b) .05% to the cities and towns as provided in Subsection (8); and

724 (c) .05% to the county legislative body.

725 (6) (a) Except as provided in Subsection (12)(d), if the entire boundary of a county that
726 imposes a sales and use tax as described in this section is not annexed into a single public
727 transit district, but a city or town within the county is annexed into a single public transit
728 district, or if the city or town is an eligible political subdivision, the commission shall distribute
729 the sales and use tax revenue collected within the county as provided in Subsection (6)(b) or
730 (c).

731 (b) For a city, town, or portion of the county described in Subsection (6)(a) that is
732 annexed into the single public transit district, or an eligible political subdivision, the
733 commission shall distribute the sales and use tax revenue collected within the portion of the
734 county that is within a public transit district or eligible political subdivision as follows:

735 (i) .05% to a public transit provider as described in Subsection (11);

736 (ii) .075% to the cities and towns as provided in Subsection (8); and

737 (iii) .075% to the county legislative body.

738 (c) Except as provided in Subsection (12)(d), for a city, town, or portion of the county

739 described in Subsection (6)(a) that is not annexed into a single public transit district or eligible
740 political subdivision in the county, the commission shall distribute the sales and use tax
741 revenue collected within that portion of the county as follows:

742 (i) .08% to the cities and towns as provided in Subsection (8); and

743 (ii) .12% to the county legislative body.

744 (7) For a county without a public transit service that imposes a sales and use tax as
745 described in this section, the commission shall distribute the sales and use tax revenue
746 collected within the county as follows:

747 (a) .08% to the cities and towns as provided in Subsection (8); and

748 (b) .12% to the county legislative body.

749 (8) (a) Subject to Subsections (8)(b) and (c), the commission shall make the
750 distributions required by Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)(a) as follows:

751 (i) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii),
752 (6)(c)(i), and (7)(a) within the counties that impose a tax under Subsections (4) through (7)
753 shall be distributed to the unincorporated areas, cities, and towns within those counties on the
754 basis of the percentage that the population of each unincorporated area, city, or town bears to
755 the total population of all of the counties that impose a tax under this section; and

756 (ii) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii),
757 (6)(c)(i), and (7)(a) within the counties that impose a tax under Subsections (4) through (7)
758 shall be distributed to the unincorporated areas, cities, and towns within those counties on the
759 basis of the location of the transaction as determined under Sections [59-12-211](#) through
760 [59-12-215](#).

761 (b) (i) Population for purposes of this Subsection (8) shall be determined on the basis
762 of the most recent official census or census estimate of the United States Census Bureau.

763 (ii) If a needed population estimate is not available from the United States Census
764 Bureau, population figures shall be derived from an estimate from the Utah Population
765 Estimates Committee created by executive order of the governor.

766 (c) (i) Beginning on January 1, 2024, if the Housing and Community Development
767 Division within the Department of Workforce Services determines that a city, town, or metro
768 township is ineligible for funds in accordance with Subsection 10-9a-408(7), beginning the
769 first day of the calendar quarter after receiving 90 days' notice, the commission shall distribute

770 the distribution that city, town, or metro township would have received under Subsection (8)(a)
771 to cities, towns, or metro townships to which Subsection 10-9a-408(7) does not apply.

772 (ii) Beginning on January 1, 2024, if the Housing and Community Development
773 Division within the Department of Workforce Services determines that a county is ineligible
774 for funds in accordance with Subsection 17-27a-408(7), beginning the first day of the calendar
775 quarter after receiving 90 days' notice, the commission shall distribute the distribution that
776 county would have received under Subsection (8)(a) to counties to which Subsection
777 17-27a-408(7) does not apply.

778 (9) If a public transit service is organized after the date a county legislative body first
779 imposes a tax under this section, a change in a distribution required by this section may not
780 take effect until the first distribution the commission makes under this section after a 90-day
781 period that begins on the date the commission receives written notice from the public transit
782 provider that the public transit service has been organized.

783 (10) A county, city, or town that received distributions described in Subsections (4)(b),
784 (4)(c), (5)(b), (5)(c), (6)(b)(ii), (6)(b)(iii), (6)(c), and (7) may only expend those funds for a
785 purpose described in Section 59-12-2212.2.

786 (11) (a) Subject to Subsections (11)(b), (c), and (d), revenue designated for public
787 transit as described in this section may be used for capital expenses and service delivery
788 expenses of:

789 (i) a public transit district;

790 (ii) an eligible political subdivision; or

791 (iii) another entity providing a service for public transit or a transit facility within the
792 relevant county, as those terms are defined in Section 17B-2a-802.

793 (b) (i) If a county of the first class imposes a sales and use tax described in this section,
794 for a three-year period following the date on which the county imposes the sales and use tax
795 under this section, revenue designated for public transit within a county of the first class as
796 described in Subsection (4)(a) shall be transferred to the County of the First Class Highway
797 Projects Fund created in Section 72-2-121.

798 (ii) If a county of the first class imposes a sales and use tax described in this section,
799 beginning on the day three years after the date on which the county imposed the tax as
800 described in Subsection (11)(b)(i), for revenue designated for public transit as described in

801 Subsection (4)(a):

802 (A) 50% of the revenue from a sales and use tax imposed under this section in a county
803 of the first class shall be transferred to the County of the First Class Highway Projects Fund
804 created in Section 72-2-121; and

805 (B) 50% of the revenue from a sales and use tax imposed under this section in a county
806 of the first class shall be transferred to the Transit Transportation Investment Fund created in
807 Subsection 72-2-124(9).

808 (c) (i) If a county that is not a county of the first class for which the entire boundary of
809 the county is annexed into a large public transit district imposes a sales and use tax described in
810 this section, for a three-year period following the date on which the county imposes the sales
811 and use tax under this section, revenue designated for public transit as described in Subsection
812 (5)(a) shall be transferred to the relevant county legislative body to be used for a purpose
813 described in Subsection (11)(a).

814 (ii) If a county that is not a county of the first class for which the entire boundary of the
815 county is annexed into a large public transit district imposes a sales and use tax described in
816 this section, beginning on the day three years after the date on which the county imposed the
817 tax as described in Subsection (11)(c)(i), for the revenue that is designated for public transit in
818 Subsection (5)(a):

819 (A) 50% shall be transferred to the Transit Transportation Investment Fund created in
820 Subsection 72-2-124(9); and

821 (B) 50% shall be transferred to the relevant county legislative body to be used for a
822 purpose described in Subsection (11)(a).

823 (d) Except as provided in Subsection (12)(d), for a county that imposes a sales and use
824 tax under this section, for revenue designated for public transit as described in Subsection
825 (6)(b)(i), the revenue shall be transferred to the relevant county legislative body to be used for a
826 purpose described in Subsection (11)(a).

827 [~~(4)~~] (12) (a) Notwithstanding Section 59-12-2208, a county legislative body may, but
828 is not required to, submit an opinion question to the county's registered voters in accordance
829 with Section 59-12-2208 to impose a sales and use tax under this section.

830 (b) Notwithstanding Section 59-12-2208 and subject to Subsection (12)(c), if a county
831 legislative body described in Subsection (4), (5), or (6) seeks to make an allocation or change

832 the distribution of sales and use tax revenue as described in Subsection (4), (5), or (6), the
833 county legislative body may make or change the allocation by adopting a resolution specifying
834 the new allocation or change in allocation.

835 (c) (i) If a county legislative body seeks to make or change the distribution as described
836 in Subsection (12)(b), the allocation shall take effect on the first day of a calendar quarter after
837 a 90-day period that begins on the date the commission receives written notice from the county
838 that meets the requirements of Subsection (12)(c)(ii).

839 (ii) The notice described in Subsection (12)(c)(i) shall state:

840 (A) that the county will make or change the percentage of an allocation under
841 Subsection (12)(b); and

842 (B) the percentage of revenue that will be allocated to the cities and towns, the county
843 legislative body, and, when applicable, the public transit provider.

844 (d) A county that imposed the local option sales and use tax described in this section
845 before January 1, 2023, may maintain that county's distribution allocation in place as of
846 January 1, 2023.

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

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

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

854 ~~[(6)]~~ (13) (a) Revenue collected from a sales and use tax under this section may not be
855 used to supplant existing General Fund appropriations that a county, city, or town [has]
856 budgeted for transportation or public transit as of the date the tax becomes effective for a
857 county, city, or town.

858 (b) The limitation under Subsection ~~[(6)(a)]~~ (13)(a) does not apply to a designated
859 transportation or public transit capital or reserve account a county [~~may have established prior~~
860 ~~to~~], city, or town established before the date the tax becomes effective.

861 Section 6. Section **72-2-121** is amended to read:

862 **72-2-121. County of the First Class Highway Projects Fund.**

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

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

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

868 (b) the portion of the sales and use tax described in Subsection 59-12-2214(3)(b)
869 deposited into or transferred to the fund;

870 (c) the portion of the sales and use tax described in Section 59-12-2217 deposited into
871 or transferred to the fund; ~~and~~

872 (d) a portion of the local option highway construction and transportation corridor
873 preservation fee imposed in a county of the first class under Section 41-1a-1222 deposited into
874 or transferred to the fund~~[-]; and~~

875 (e) the portion of the sales and use tax transferred into the fund as described in
876 Subsections 59-12-2220(4)(a) and 59-12-2220(11)(b).

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

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

879 (4) ~~The~~ Subject to Subsection (9), the executive director shall use the fund money
880 only:

881 (a) to pay debt service and bond issuance costs for bonds issued under Sections
882 63B-16-102, 63B-18-402, and 63B-27-102;

883 (b) for right-of-way acquisition, new construction, major renovations, and
884 improvements to highways within a county of the first class and to pay any debt service and
885 bond issuance costs related to those projects, including improvements to a highway located
886 within a municipality in a county of the first class where the municipality is located within the
887 boundaries of more than a single county;

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

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

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

891 (iii) a facility that may include a:

892 (A) pedestrian or nonmotorized vehicle trail;

893 (B) nonmotorized vehicle storage facility;

894 (C) pedestrian or vehicle bridge; or
895 (D) vehicle parking lot or parking structure;
896 (d) to transfer to the 2010 Salt Lake County Revenue Bond Sinking Fund created by
897 Section 72-2-121.3 the amount required in Subsection 72-2-121.3(4)(c) minus the amounts
898 transferred in accordance with Subsection 72-2-124(4)(a)(iv);
899 (e) for a fiscal year beginning on or after July 1, 2013, to pay debt service and bond
900 issuance costs for \$30,000,000 of the bonds issued under Section 63B-18-401 for the projects
901 described in Subsection 63B-18-401(4)(a);
902 (f) for a fiscal year beginning on or after July 1, 2013, and after the department has
903 verified that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund, to
904 transfer an amount equal to 50% of the revenue generated by the local option highway
905 construction and transportation corridor preservation fee imposed under Section 41-1a-1222 in
906 a county of the first class:
907 (i) to the legislative body of a county of the first class; and
908 (ii) to be used by a county of the first class for:
909 (A) highway construction, reconstruction, or maintenance projects; or
910 (B) the enforcement of state motor vehicle and traffic laws;
911 (g) for a fiscal year beginning on or after July 1, 2015, after the department has verified
912 that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund and the
913 transfer under Subsection (4)(e) has been made, to annually transfer an amount of the sales and
914 use tax revenue imposed in a county of the first class and deposited into the fund in accordance
915 with Subsection 59-12-2214(3)(b) equal to an amount needed to cover the debt to:
916 (i) the appropriate debt service or sinking fund for the repayment of bonds issued under
917 Section 63B-27-102; and
918 (ii) the appropriate debt service or sinking fund for the repayment of bonds issued
919 under Sections 63B-31-102 and 63B-31-103;
920 (h) after the department has verified that the amount required under Subsection
921 72-2-121.3(4)(c) is available in the fund and after the transfer under Subsection (4)(d), the
922 payment under Subsection (4)(e), and the transfer under Subsection (4)(g)(i) has been made, to
923 annually transfer \$2,000,000 to a public transit district in a county of the first class to fund a
924 system for public transit;

925 (i) for a fiscal year beginning on or after July 1, 2018, after the department has verified
926 that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund and after
927 the transfer under Subsection (4)(d), the payment under Subsection (4)(e), and the transfer
928 under Subsection (4)(g)(i) has been made, to annually transfer 20% of the amount deposited
929 into the fund under Subsection (2)(b):

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

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

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

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

939 (ii) \$1,000,000 to Herriman for highway improvements to Herriman Boulevard from
940 6800 West to 7300 West;

941 (iii) \$1,100,000 to South Jordan for highway improvements to Grandville Avenue;

942 (iv) \$1,800,000 to Riverton for highway improvements to Old Liberty Way from 13400
943 South to 13200 South;

944 (v) \$1,000,000 to Murray City for highway improvements to 5600 South from State
945 Street to Van Winkle;

946 (vi) \$1,000,000 to Draper for highway improvements to Lone Peak Parkway from
947 11400 South to 12300 South;

948 (vii) \$1,000,000 to Sandy City for right-of-way acquisition for Monroe Street;

949 (viii) \$900,000 to South Jordan City for right-of-way acquisition and improvements to
950 10200 South from 2700 West to 3200 West;

951 (ix) \$1,000,000 to West Jordan for highway improvements to 8600 South near
952 Mountain View Corridor;

953 (x) \$700,000 to South Jordan right-of-way improvements to 10550 South; and

954 (xi) \$500,000 to Salt Lake County for highway improvements to 2650 South from
955 7200 West to 8000 West; and

956 (k) subject to Subsection (5), for a fiscal year beginning on or after July 1, 2021, and
957 for 15 years thereafter, to annually transfer the following amounts to the following cities, metro
958 townships, and the county of the first class for priority projects to mitigate congestion and
959 improve transportation safety:

- 960 (i) \$2,000,000 to Sandy;
- 961 (ii) \$2,000,000 to Taylorsville;
- 962 (iii) \$1,100,000 to Salt Lake City;
- 963 (iv) \$1,100,000 to West Jordan;
- 964 (v) \$1,100,000 to West Valley City;
- 965 (vi) \$800,000 to Herriman;
- 966 (vii) \$700,000 to Draper;
- 967 (viii) \$700,000 to Riverton;
- 968 (ix) \$700,000 to South Jordan;
- 969 (x) \$500,000 to Bluffdale;
- 970 (xi) \$500,000 to Midvale;
- 971 (xii) \$500,000 to Millcreek;
- 972 (xiii) \$500,000 to Murray;
- 973 (xiv) \$400,000 to Cottonwood Heights; and
- 974 (xv) \$300,000 to Holladay.

975 (5) (a) If revenue in the fund is insufficient to satisfy all of the transfers described in
976 Subsection (4)(k), the executive director shall proportionately reduce the amounts transferred
977 as described in Subsection (4)(k).

978 (b) A local government entity, as that term is defined in Section [63J-1-220](#), is exempt
979 from entering into an agreement as described in Section [63J-1-220](#) pertaining to the receipt or
980 expenditure of any funding described in Subsection (4)(k).

981 (c) A local government may not use revenue described in Subsection (4)(k) to supplant
982 existing class B or class C road funds that a local government has budgeted for transportation
983 projects.

984 (d) (i) A municipality or county that received a transfer of funds described in
985 Subsection (4)(j) shall submit to the department a statement of cash flow and progress
986 pertaining to the municipality's or county's respective project described in Subsection (4)(j).

987 (ii) After the department is satisfied that the municipality or county described in
988 Subsection (4)(j) has made substantial progress and the expenditure of funds is programmed
989 and imminent, the department may transfer to the same municipality or county the respective
990 amounts described in Subsection (4)(k).

991 (6) The revenues described in Subsections (2)(b), (c), and (d) that are deposited into the
992 fund and bond proceeds from bonds issued under Sections 63B-16-102, 63B-18-402, and
993 63B-27-102 are considered a local matching contribution for the purposes described under
994 Section 72-2-123.

995 (7) The additional administrative costs of the department to administer this fund shall
996 be paid from money in the fund.

997 (8) ~~[Notwithstanding]~~ Subject to Subsection (9), and notwithstanding any statutory or
998 other restrictions on the use or expenditure of the revenue sources deposited into this fund, the
999 Department of Transportation may use the money in this fund for any of the purposes detailed
1000 in Subsection (4).

1001 ~~[(9) As resources allow, the department shall study in 2020 transportation connectivity~~
1002 ~~in the southwest valley of Salt Lake County, including the feasibility of connecting major~~
1003 ~~east-west corridors to U-111.]~~

1004 (9) Any revenue deposited into the fund as described in Subsection (2)(e) shall be used
1005 to provide funding or loans for public transit projects, operations, and supporting infrastructure
1006 in the county of the first class.

1007 Section 7. Section 72-2-124 is amended to read:

1008 **72-2-124. Transportation Investment Fund of 2005.**

1009 (1) There is created a capital projects fund entitled the Transportation Investment Fund
1010 of 2005.

1011 (2) The fund consists of money generated from the following sources:

1012 (a) any voluntary contributions received for the maintenance, construction,
1013 reconstruction, or renovation of state and federal highways;

1014 (b) appropriations made to the fund by the Legislature;

1015 (c) registration fees designated under Section 41-1a-1201;

1016 (d) the sales and use tax revenues deposited into the fund in accordance with Section
1017 59-12-103; and

- 1018 (e) revenues transferred to the fund in accordance with Section 72-2-106.
- 1019 (3) (a) The fund shall earn interest.
- 1020 (b) All interest earned on fund money shall be deposited into the fund.
- 1021 (4) (a) Except as provided in Subsection (4)(b), the executive director may only use
- 1022 fund money to pay:
 - 1023 (i) the costs of maintenance, construction, reconstruction, or renovation to state and
 - 1024 federal highways prioritized by the Transportation Commission through the prioritization
 - 1025 process for new transportation capacity projects adopted under Section 72-1-304;
 - 1026 (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway
 - 1027 projects described in Subsections 63B-18-401(2), (3), and (4);
 - 1028 (iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401
 - 1029 minus the costs paid from the County of the First Class Highway Projects Fund in accordance
 - 1030 with Subsection 72-2-121(4)(e);
 - 1031 (iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt
 - 1032 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount certified
 - 1033 by Salt Lake County in accordance with Subsection 72-2-121.3(4)(c) as necessary to pay the
 - 1034 debt service on \$30,000,000 of the revenue bonds issued by Salt Lake County;
 - 1035 (v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101
 - 1036 for projects prioritized in accordance with Section 72-2-125;
 - 1037 (vi) all highway general obligation bonds that are intended to be paid from revenues in
 - 1038 the Centennial Highway Fund created by Section 72-2-118;
 - 1039 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First
 - 1040 Class Highway Projects Fund created in Section 72-2-121 to be used for the purposes described
 - 1041 in Section 72-2-121;
 - 1042 (viii) if a political subdivision provides a contribution equal to or greater than 40% of
 - 1043 the costs needed for construction, reconstruction, or renovation of paved pedestrian or paved
 - 1044 nonmotorized transportation for projects that:
 - 1045 (A) mitigate traffic congestion on the state highway system;
 - 1046 (B) are part of an active transportation plan approved by the department; and
 - 1047 (C) are prioritized by the commission through the prioritization process for new
 - 1048 transportation capacity projects adopted under Section 72-1-304;

- 1049 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction,
1050 reconstruction, or renovation of or improvement to the following projects:
- 1051 (A) the connector road between Main Street and 1600 North in the city of Vineyard;
 - 1052 (B) Geneva Road from University Parkway to 1800 South;
 - 1053 (C) the SR-97 interchange at 5600 South on I-15;
 - 1054 (D) two lanes on U-111 from Herriman Parkway to 11800 South;
 - 1055 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
 - 1056 (F) improvements to 1600 North in Orem from 1200 West to State Street;
 - 1057 (G) widening I-15 between mileposts 6 and 8;
 - 1058 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
 - 1059 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197 in
1060 Spanish Fork Canyon;
 - 1061 (J) I-15 northbound between mileposts 43 and 56;
 - 1062 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts 43
1063 and 45.1;
 - 1064 (L) east Zion SR-9 improvements;
 - 1065 (M) Toquerville Parkway;
 - 1066 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
 - 1067 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds, for
1068 construction of an interchange on Bangerter Highway at 13400 South; and
 - 1069 (P) an environmental impact study for Kimball Junction in Summit County; and
 - 1070 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project
1071 costs based upon a statement of cash flow that the local jurisdiction where the project is located
1072 provides to the department demonstrating the need for money for the project, for the following
1073 projects in the following amounts:
 - 1074 (A) \$5,000,000 for Payson Main Street repair and replacement;
 - 1075 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
 - 1076 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
 - 1077 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S. 40
1078 between mile markers 7 and 10. - 1079 (b) The executive director may use fund money to exchange for an equal or greater

1080 amount of federal transportation funds to be used as provided in Subsection (4)(a).

1081 (5) (a) Except as provided in Subsection (5)(b), if the department receives a notice of
1082 ineligibility for a municipality as described in Subsection 10-9a-408(7), the executive director
1083 may not program fund money to a project prioritized by the commission under Section
1084 72-1-304, including fund money from the Transit Transportation Investment Fund, within the
1085 boundaries of the municipality during the fiscal year specified in the notice.

1086 (b) Within the boundaries of a municipality described in Subsection (5)(a), the
1087 executive director:

1088 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access
1089 facility or interchange connecting limited-access facilities;

1090 (ii) may not program fund money for the construction, reconstruction, or renovation of
1091 an interchange on a limited-access facility;

1092 (iii) may program Transit Transportation Investment Fund money for a
1093 multi-community fixed guideway public transportation project; and

1094 (iv) may not program Transit Transportation Investment Fund money for the
1095 construction, reconstruction, or renovation of a station that is part of a fixed guideway public
1096 transportation project.

1097 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
1098 director before July 1, 2022, for projects prioritized by the commission under Section
1099 72-1-304.

1100 (6) (a) Except as provided in Subsection (6)(b), if the department receives a notice of
1101 ineligibility for a county as described in Subsection 17-27a-408(7), the executive director may
1102 not program fund money to a project prioritized by the commission under Section 72-1-304,
1103 including fund money from the Transit Transportation Investment Fund, within the boundaries
1104 of the unincorporated area of the county during the fiscal year specified in the notice.

1105 (b) Within the boundaries of the unincorporated area of a county described in
1106 Subsection (6)(a), the executive director:

1107 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access
1108 facility to a project prioritized by the commission under Section 72-1-304;

1109 (ii) may not program fund money for the construction, reconstruction, or renovation of
1110 an interchange on a limited-access facility;

1111 (iii) may program Transit Transportation Investment Fund money for a
1112 multi-community fixed guideway public transportation project; and

1113 (iv) may not program Transit Transportation Investment Fund money for the
1114 construction, reconstruction, or renovation of a station that is part of a fixed guideway public
1115 transportation project.

1116 (c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive
1117 director before July 1, 2022, for projects prioritized by the commission under Section
1118 [72-1-304](#).

1119 (7) (a) Before bonds authorized by Section [63B-18-401](#) or [63B-27-101](#) may be issued
1120 in any fiscal year, the department and the commission shall appear before the Executive
1121 Appropriations Committee of the Legislature and present the amount of bond proceeds that the
1122 department needs to provide funding for the projects identified in Subsections [63B-18-401](#)(2),
1123 (3), and (4) or Subsection [63B-27-101](#)(2) for the current or next fiscal year.

1124 (b) The Executive Appropriations Committee of the Legislature shall review and
1125 comment on the amount of bond proceeds needed to fund the projects.

1126 (8) The Division of Finance shall, from money deposited into the fund, transfer the
1127 amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by
1128 Section [63B-18-401](#) or [63B-27-101](#) in the current fiscal year to the appropriate debt service or
1129 sinking fund.

1130 (9) (a) There is created in the Transportation Investment Fund of 2005 the Transit
1131 Transportation Investment Fund.

1132 (b) The fund shall be funded by:

1133 (i) contributions deposited into the fund in accordance with Section [59-12-103](#);

1134 (ii) appropriations into the account by the Legislature;

1135 (iii) deposits of sales and use tax increment related to a housing and transit
1136 reinvestment zone as described in Section [63N-3-610](#);

1137 (iv) transfers of local option sales and use tax revenue as described in Subsection
1138 [59-12-2220](#)(11)(b) or (c);

1139 [~~(iv)~~] (v) private contributions; and

1140 [~~(v)~~] (vi) donations or grants from public or private entities.

1141 (c) (i) The fund shall earn interest.

- 1142 (ii) All interest earned on fund money shall be deposited into the fund.
- 1143 (d) Subject to Subsection (9)(e), the Legislature may appropriate money from the fund:
- 1144 (i) for public transit capital development of new capacity projects and fixed guideway
- 1145 capital development projects to be used as prioritized by the commission through the
- 1146 prioritization process adopted under Section [72-1-304](#);
- 1147 (ii) for development of the oversight plan described in Section [72-1-202\(5\)](#); or
- 1148 (iii) to the department for oversight of a fixed guideway capital development project
- 1149 for which the department has responsibility.
- 1150 (e) (i) ~~[The]~~ Subject to Subsections (9)(g) and (h), the Legislature may only appropriate
- 1151 money from the fund for a public transit capital development project or pedestrian or
- 1152 nonmotorized transportation project that provides connection to the public transit system if the
- 1153 public transit district or political subdivision provides funds of equal to or greater than 40% of
- 1154 the costs needed for the project.
- 1155 (ii) A public transit district or political subdivision may use money derived from a loan
- 1156 granted pursuant to Title 72, Chapter 2, Part 2, State Infrastructure Bank Fund, to provide all or
- 1157 part of the 40% requirement described in Subsection (9)(e)(i) if:
- 1158 (A) the loan is approved by the commission as required in Title 72, Chapter 2, Part 2,
- 1159 State Infrastructure Bank Fund; and
- 1160 (B) the proposed capital project has been prioritized by the commission pursuant to
- 1161 Section [72-1-303](#).
- 1162 (f) Before July 1, 2022, the department and a large public transit district shall enter into
- 1163 an agreement for a large public transit district to pay the department \$5,000,000 per year for 15
- 1164 years to be used to facilitate the purchase of zero emissions or low emissions rail engines and
- 1165 trainsets for regional public transit rail systems.
- 1166 (g) For any revenue transferred into the fund pursuant to Subsection
- 1167 [59-12-2220\(11\)\(b\)](#):
- 1168 (i) the commission may prioritize money from the fund for public transit projects,
- 1169 operations, or maintenance within the county of the first class; and
- 1170 (ii) Subsection (9)(e) does not apply.
- 1171 (h) For any revenue transferred into the fund pursuant to Subsection
- 1172 [59-12-2220\(11\)\(c\)](#):

1173 (i) the commission may prioritize public transit projects, operations, or maintenance in
1174 the county from which the revenue was generated; and

1175 (ii) Subsection (9)(e) does not apply.

1176 (10) (a) There is created in the Transportation Investment Fund of 2005 the
1177 Cottonwood Canyons Transportation Investment Fund.

1178 (b) The fund shall be funded by:

1179 (i) money deposited into the fund in accordance with Section [59-12-103](#);

1180 (ii) appropriations into the account by the Legislature;

1181 (iii) private contributions; and

1182 (iv) donations or grants from public or private entities.

1183 (c) (i) The fund shall earn interest.

1184 (ii) All interest earned on fund money shall be deposited into the fund.

1185 (d) The Legislature may appropriate money from the fund for public transit or
1186 transportation projects in the Cottonwood Canyons of Salt Lake County.