

Senator Wayne A. Harper proposes the following substitute bill:

TRANSPORTATION AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: _____

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

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



- 27 ▶ exempts a zip line from the definition of an amusement ride; and
- 28 ▶ makes technical changes.

29 **Money Appropriated in this Bill:**

30 None

31 **Other Special Clauses:**

32 This bill provides a special effective date.

33 **Utah Code Sections Affected:**

34 AMENDS:

- 35 **17B-2a-806**, as last amended by Laws of Utah 2022, Chapter 69
- 36 **41-1a-226**, as last amended by Laws of Utah 2022, Chapter 259
- 37 **41-1a-401**, as last amended by Laws of Utah 2022, Chapter 259
- 38 **41-1a-422**, as last amended by Laws of Utah 2022, Chapters 19, 48, 68, 255, 259, 335,
- 39 451, and 456
- 40 **41-1a-1206**, as last amended by Laws of Utah 2022, Chapters 56, 259
- 41 **41-6a-1642**, as last amended by Laws of Utah 2022, Chapters 160, 259
- 42 **41-21-1**, as last amended by Laws of Utah 2022, Chapter 259
- 43 **59-12-103**, as last amended by Laws of Utah 2022, Chapters 77, 106 and 433
- 44 **59-12-2220**, as last amended by Laws of Utah 2022, Chapter 259
- 45 **72-1-102**, as last amended by Laws of Utah 2022, Chapter 69
- 46 **72-1-202**, as last amended by Laws of Utah 2022, Chapter 69
- 47 **72-1-203**, as last amended by Laws of Utah 2019, Chapter 479
- 48 **72-1-213.2**, as last amended by Laws of Utah 2022, Chapter 259
- 49 **72-1-304**, as last amended by Laws of Utah 2022, Chapter 406
- 50 **72-1-305**, as last amended by Laws of Utah 2018, Chapter 424
- 51 **72-2-106**, as last amended by Laws of Utah 2017, Chapters 144, 234
- 52 **72-2-107**, as last amended by Laws of Utah 2020, Chapter 377
- 53 **72-2-123**, as last amended by Laws of Utah 2008, Chapter 382
- 54 **72-2-124**, as last amended by Laws of Utah 2022, Chapters 69, 259 and 406
- 55 **72-2-202**, as last amended by Laws of Utah 2022, Chapter 463
- 56 **72-5-102**, as last amended by Laws of Utah 2021, Chapter 222
- 57 **72-5-114**, as renumbered and amended by Laws of Utah 1998, Chapter 270

58 [72-6-112.5](#), as last amended by Laws of Utah 2019, Chapter 43
 59 [72-6-116](#), as last amended by Laws of Utah 2020, Chapter 80
 60 [72-16-102](#), as last amended by Laws of Utah 2020, Chapter 423

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

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

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

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

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

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

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

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

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

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

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

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

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

86 [17B-2a-812](#).

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

88 **41-1a-226. Vintage vehicle -- Signed statement -- Registration.**

89 (1) The owner of a vintage vehicle who applies for registration under this part shall

90 provide a signed statement that the vintage vehicle:

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

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

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

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

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

102 **41-1a-401. License plates -- Number of plates -- Reflectorization -- Indicia of**
103 **registration in lieu of or used with plates.**

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

- 106 (i) one license plate for a motorcycle, trailer, or semitrailer;
- 107 (ii) one decal for a park model recreational vehicle, in lieu of a license plate, which
108 shall be attached in plain sight to the rear of the park model recreational vehicle;
- 109 (iii) one decal for a camper, in lieu of a license plate, which shall be attached in plain
110 sight to the rear of the camper; and
- 111 (iv) two identical license plates for every other vehicle.

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

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

- 119 (A) the previous registered owner has included the license plate as part of the sale,
120 trade, or ownership release; and
- 121 (B) the person applying to register the vehicle applies to transfer the license plate to the

122 new registered owner of the vehicle.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

156 **41-1a-422. Support special group license plates -- Contributor -- Voluntary**
157 **contribution collection procedures.**

158 (1) As used in this section:

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

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

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

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

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

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

168 (F) the Guardian Ad Litem Services Account and the Children's Museum of Utah, with
169 the donation evenly divided between the two;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

218 72-2-130;

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

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

223 (FF) the Allyson Gamble Organ Donation Contribution Fund created in Section
224 26-18b-101;

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

230 (HH) the Governor's Suicide Prevention Fund created in Section 62A-15-1103 to
231 support the Live On suicide prevention campaign administered by the Division of Integrated
232 Healthcare; or

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

235 (ii) (A) For a veterans special group license plate described in Subsection (4) or
236 41-1a-421(1)(a)(v), "contributor" means a person who has donated or in whose name at least a
237 \$25 donation at the time of application and \$10 annual donation thereafter has been made.

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

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

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

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

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

249 (I) has donated or in whose name at least \$15 has been donated at the time of application

250 and annually after the time of application; and

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

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

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

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

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

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

267 (i) the name of the contributor;

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

269 (iii) the date of the donation; and

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

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

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

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

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

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

285 (b) This contribution shall be:

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

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

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

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

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

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

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

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

301 (i) snowmobile license plates; or

302 (ii) conservation license plates.

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

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

306 **41-1a-1206. Registration fees -- Fees by gross laden weight.**

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

310 (a) \$46.00 for each motorcycle;

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

313 (c) unless the semitrailer or trailer is exempt from registration under Section [41-1a-202](#)

314 or is registered under Section [41-1a-301](#):

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

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

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

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

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

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

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

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

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

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

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

330 (A) each electric motor vehicle; and

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

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

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

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

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

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

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

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

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

347 (A) each electric motor vehicle; and

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

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

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

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

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

358 (B) 0.

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

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

364 (B) 0.

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

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

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

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

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

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

377 (6) (a) Registration fee categories under this section are based on the gross laden weight

378 declared in the licensee's application for registration.

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

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

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

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

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

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

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

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

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

397 **41-6a-1642. Emissions inspection -- County program.**

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

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

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

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

409 (b) compliance with this section for a motor vehicle registered or principally operated

410 in the county and owned by or being used by a department, division, instrumentality, agency, or
411 employee of:

- 412 (i) the federal government;
- 413 (ii) the state and any of its agencies; or
- 414 (iii) a political subdivision of the state, including school districts.

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

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

- 422 (i) Volkswagen Jetta, model years 2009, 2010, 2011, 2012, 2013, 2014, and 2015;
- 423 (ii) Volkswagen Jetta Sportwagen, model years 2009, 2010, 2011, 2012, 2013, and
424 2014;
- 425 (iii) Volkswagen Golf, model years 2010, 2011, 2012, 2013, 2014, and 2015;
- 426 (iv) Volkswagen Golf Sportwagen, model year 2015;
- 427 (v) Volkswagen Passat, model years 2012, 2013, 2014, and 2015;
- 428 (vi) Volkswagen Beetle, model years 2013, 2014, and 2015;
- 429 (vii) Volkswagen Beetle Convertible, model years 2013, 2014, and 2015; and
- 430 (viii) Audi A3, model years 2010, 2011, 2012, 2013, and 2015; and

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

- 433 (i) Volkswagen Touareg, model years 2009, 2010, 2011, 2012, 2013, 2014, 2015, and
434 2016;
- 435 (ii) Audi Q7, model years 2009, 2010, 2011, 2012, 2013, 2014, 2015, and 2016;
- 436 (iii) Audi A6 Quattro, model years 2014, 2015, and 2016;
- 437 (iv) Audi A7 Quattro, model years 2014, 2015, and 2016;
- 438 (v) Audi A8, model years 2014, 2015, and 2016;
- 439 (vi) Audi A8L, model years 2014, 2015, and 2016;
- 440 (vii) Audi Q5, model years 2014, 2015, and 2016; and
- 441 (viii) Porsche Cayenne Diesel, model years 2013, 2014, 2015, and 2016.

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

- 445 (i) emissions standards;
- 446 (ii) test procedures;
- 447 (iii) inspections stations;
- 448 (iv) repair requirements and dollar limits for correction of deficiencies; and
- 449 (v) certificates of emissions inspections.

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

- 451 (i) shall make regulations or ordinances to attain or maintain ambient air quality
452 standards in the county, consistent with the state implementation plan and federal requirements;
- 453 (ii) may allow for a phase-in of the program by geographical area; and
- 454 (iii) shall comply with the analyzer design and certification requirements contained in
455 the state implementation plan prepared under Title 19, Chapter 2, Air Conservation Act.

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

- 458 (i) is decentralized, to the extent the decentralized program will attain and maintain
459 ambient air quality standards and meet federal requirements;
- 460 (ii) is the most cost effective means to achieve and maintain the maximum benefit with
461 regard to ambient air quality standards and to meet federal air quality requirements as related to
462 vehicle emissions; and
- 463 (iii) provides a reasonable phase-out period for replacement of air pollution emission
464 testing equipment made obsolete by the program.

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

- 466 (i) may be accomplished in accordance with applicable federal requirements; and
- 467 (ii) does not otherwise interfere with the attainment and maintenance of ambient air
468 quality standards.

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

- 471 (a) an implement of husbandry as defined in Section 41-1a-102;
- 472 (b) a motor vehicle that:
 - 473 (i) meets the definition of a farm truck under Section 41-1a-102; and

- 474 (ii) has a gross vehicle weight rating of 12,001 pounds or more;
- 475 (c) a vintage vehicle as defined in Section 41-21-1:
- 476 (i) if the vintage vehicle has a model year of ~~[1980]~~ 1982 or older; or
- 477 (ii) for a vintage vehicle that has a model year of ~~[1981]~~ 1983 or newer, if the owner
- 478 provides proof of vehicle insurance that is a type specific to a vehicle collector;
- 479 (d) a custom vehicle as defined in Section 41-6a-1507;
- 480 (e) to the extent allowed under the current federally approved state implementation plan,
- 481 in accordance with the federal Clean Air Act, 42 U.S.C. Sec. 7401, et seq., a motor vehicle that
- 482 is less than two years old on January 1 based on the age of the vehicle as determined by the
- 483 model year identified by the manufacturer;
- 484 (f) a pickup truck, as defined in Section 41-1a-102, with a gross vehicle weight rating of
- 485 12,000 pounds or less, if the registered owner of the pickup truck provides a signed statement to
- 486 the legislative body stating the truck is used:
- 487 (i) by the owner or operator of a farm located on property that qualifies as land in
- 488 agricultural use under Sections 59-2-502 and 59-2-503; and
- 489 (ii) exclusively for the following purposes in operating the farm:
- 490 (A) for the transportation of farm products, including livestock and its products, poultry
- 491 and its products, floricultural and horticultural products; and
- 492 (B) in the transportation of farm supplies, including tile, fence, and every other thing or
- 493 commodity used in agricultural, floricultural, horticultural, livestock, and poultry production and
- 494 maintenance;
- 495 (g) a motorcycle as defined in Section 41-1a-102;
- 496 (h) an electric motor vehicle as defined in Section 41-1a-102; and
- 497 (i) a motor vehicle with a model year of 1967 or older.
- 498 (5) The county shall issue to the registered owner who signs and submits a signed
- 499 statement under Subsection (4)(f) a certificate of exemption from emissions inspection
- 500 requirements for purposes of registering the exempt vehicle.
- 501 (6) A legislative body of a county described in Subsection (1) may exempt from an
- 502 emissions inspection program a diesel-powered motor vehicle with a:
- 503 (a) gross vehicle weight rating of more than 14,000 pounds; or
- 504 (b) model year of 1997 or older.
- 505 (7) The legislative body of a county required under federal law to utilize a motor

506 vehicle emissions inspection program shall require:

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

508 (i) a model year of 2007 or newer;

509 (ii) a gross vehicle weight rating of 14,000 pounds or less; and

510 (iii) a model year that is five years old or older; and

511 (b) a visual inspection of emissions equipment for a diesel-powered motor vehicle:

512 (i) with a gross vehicle weight rating of 14,000 pounds or less;

513 (ii) that has a model year of 1998 or newer; and

514 (iii) that has a model year that is five years old or older.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

607 **41-21-1. Definitions.**

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

609 (2) "Motorcycle" means:

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

612 (b) an autocycle.

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

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

615 (B) (I) was manufactured after 1948 to resemble a vehicle that was manufactured in
616 1948 or before; and

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

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

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

620 (A) club activities;

621 (B) exhibitions;

622 (C) tours;

623 (D) parades;

624 (E) occasional transportation; and

625 (F) other similar uses.

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

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

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

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

632 (A) participation in club activities;

633 (B) exhibitions;

- 634 (C) tours;
- 635 (D) parades;
- 636 (E) occasional recreational or vacation use; and
- 637 (F) other similar uses.
- 638 (b) "Vintage travel trailer" does not include a travel trailer, camping trailer, or fifth
- 639 wheel trailer that is used for the general, daily transportation of persons or property.
- 640 (5) (a) "Vintage vehicle" means a motor vehicle or motorcycle that:
- 641 (i) is 30 years old or older from the current year;
- 642 (ii) displays:
- 643 (A) a unique vehicle type special group license plate issued in accordance with Section
- 644 [41-1a-418](#); or
- 645 (B) for a vehicle that has a model year of [~~1980~~] 1982 or older, a historical support
- 646 special group plate; and
- 647 (iii) is primarily a collector's item that is used for:
- 648 (A) participation in club activities;
- 649 (B) exhibitions;
- 650 (C) tours;
- 651 (D) parades;
- 652 (E) occasional transportation; and
- 653 (F) other similar uses.
- 654 (b) "Vintage vehicle" does not include a motor vehicle or motorcycle that is used for
- 655 general, daily transportation.
- 656 (c) "Vintage vehicle" includes a:
- 657 (i) street rod; and
- 658 (ii) vintage travel trailer.
- 659 Section 8. Section **59-12-103** is amended to read:
- 660 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and**
- 661 **use tax revenues.**
- 662 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or
- 663 sales price for amounts paid or charged for the following transactions:
- 664 (a) retail sales of tangible personal property made within the state;
- 665 (b) amounts paid for:

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

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

671 (iii) an ancillary service associated with a:

672 (A) telecommunications service described in Subsection (1)(b)(i); or
673 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

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

675 (i) gas;
676 (ii) electricity;
677 (iii) heat;
678 (iv) coal;
679 (v) fuel oil; or
680 (vi) other fuels;

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

682 (i) gas;
683 (ii) electricity;
684 (iii) heat;
685 (iv) coal;
686 (v) fuel oil; or
687 (vi) other fuels;

688 (e) sales of prepared food;

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

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

700 (i) the tangible personal property; and

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

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

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

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

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

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

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

714 (i) stored;

715 (ii) used; or

716 (iii) otherwise consumed;

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

719 (i) stored;

720 (ii) used; or

721 (iii) consumed; and

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

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

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

725 (ii) regardless of whether the sale provides:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

762 (A) a state tax imposed on the entire bundled transaction equal to the sum of:
763 (I) the tax rate described in Subsection (2)(a)(i)(A); and
764 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
765 Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
766 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
767 State Sales and Use Tax Act; and
768 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
769 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
770 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
771 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
772 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
773 described in Subsection (2)(a)(ii).
774 (ii) If an optional computer software maintenance contract is a bundled transaction that
775 consists of taxable and nontaxable products that are not separately itemized on an invoice or
776 similar billing document, the purchase of the optional computer software maintenance contract is
777 40% taxable under this chapter and 60% nontaxable under this chapter.
778 (iii) Subject to Subsection (2)(e)(iv), for a bundled transaction other than a bundled
779 transaction described in Subsection (2)(e)(i) or (ii):
780 (A) if the sales price of the bundled transaction is attributable to tangible personal
781 property, a product, or a service that is subject to taxation under this chapter and tangible
782 personal property, a product, or service that is not subject to taxation under this chapter, the
783 entire bundled transaction is subject to taxation under this chapter unless:
784 (I) the seller is able to identify by reasonable and verifiable standards the tangible
785 personal property, product, or service that is not subject to taxation under this chapter from the
786 books and records the seller keeps in the seller's regular course of business; or
787 (II) state or federal law provides otherwise; or
788 (B) if the sales price of a bundled transaction is attributable to two or more items of
789 tangible personal property, products, or services that are subject to taxation under this chapter at
790 different rates, the entire bundled transaction is subject to taxation under this chapter at the
791 higher tax rate unless:
792 (I) the seller is able to identify by reasonable and verifiable standards the tangible
793 personal property, product, or service that is subject to taxation under this chapter at the lower

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

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

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

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

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

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

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

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

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

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

825 (A) separately states the items subject to taxation under this chapter at each of the

826 different rates on an invoice, bill of sale, or similar document provided to the purchaser; or

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

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

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

- 835 (i) Subsection (2)(a)(i)(A);
- 836 (ii) Subsection (2)(b)(i);
- 837 (iii) Subsection (2)(c)(i); or
- 838 (iv) Subsection (2)(e)(i)(A)(I).

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

- 842 (A) Subsection (2)(a)(i)(A);
- 843 (B) Subsection (2)(b)(i);
- 844 (C) Subsection (2)(c)(i); or
- 845 (D) Subsection (2)(e)(i)(A)(I).

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

- 849 (A) Subsection (2)(a)(i)(A);
- 850 (B) Subsection (2)(b)(i);
- 851 (C) Subsection (2)(c)(i); or
- 852 (D) Subsection (2)(e)(i)(A)(I).

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

- 856 (A) on the first day of a calendar quarter; and
- 857 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

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

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

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

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

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

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

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

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

870 (A) a commercial use;

871 (B) an industrial use; or

872 (C) a residential use.

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

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

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

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

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

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

880 (i) the tax imposed by Subsection (2)(a)(ii);

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

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

883 (iv) the tax imposed by Subsection (2)(e)(i)(B).

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

885 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
886 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
887 through (g):

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

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

890 (B) for the fiscal year; or

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

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

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

897 (B) award grants, up to the amount authorized by the Legislature in an appropriations
898 act, to political subdivisions of the state to implement the measures described in Subsections
899 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.

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

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

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

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

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

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

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

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

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

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

922 Wastewater Loan Program Subaccount created in Section 73-10c-5; and

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

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

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

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

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

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

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

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

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

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

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

948 (iii) develop surface water sources.

949 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
950 2006, the difference between the following amounts shall be expended as provided in this
951 Subsection (5), if that difference is greater than \$1:

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

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

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

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

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

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

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

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

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

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

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

976 (i) preconstruction costs:

977 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
978 26, Bear River Development Act; and

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

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

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

985 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and

986 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

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

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

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

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

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

998 (b) for a fiscal year beginning on or after July 1, 2021, 100% of the revenue described
999 in this Subsection (6) shall be deposited into the Water Infrastructure Restricted Account created
1000 by Section 73-10g-103.

1001 (7) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in
1002 Subsection (6), and subject to Subsection (7)(b), for a fiscal year beginning on or after July 1,
1003 2012, the Division of Finance shall deposit into the Transportation Investment Fund of 2005
1004 created by Section 72-2-124:

1005 (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of the
1006 revenues collected from the following taxes, which represents a portion of the approximately
1007 17% of sales and use tax revenues generated annually by the sales and use tax on vehicles and
1008 vehicle-related products:

1009 (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1010 (B) the tax imposed by Subsection (2)(b)(i);

1011 (C) the tax imposed by Subsection (2)(c)(i); and

1012 (D) the tax imposed by Subsection (2)(e)(i)(A)(I); plus

1013 (ii) an amount equal to 30% of the growth in the amount of revenues collected in the
1014 current fiscal year from the sales and use taxes described in Subsections (7)(a)(i)(A) through
1015 (D) that exceeds the amount collected from the sales and use taxes described in Subsections
1016 (7)(a)(i)(A) through (D) in the 2010-11 fiscal year.

1017 (b) (i) Subject to Subsections (7)(b)(ii) and (iii), in any fiscal year that the portion of the

1018 sales and use taxes deposited under Subsection (7)(a) represents an amount that is a total lower
1019 percentage of the sales and use taxes described in Subsections (7)(a)(i)(A) through (D)
1020 generated in the current fiscal year than the total percentage of sales and use taxes deposited in
1021 the previous fiscal year, the Division of Finance shall deposit an amount under Subsection (7)(a)
1022 equal to the product of:

1023 (A) the total percentage of sales and use taxes deposited under Subsection (7)(a) in the
1024 previous fiscal year; and

1025 (B) the total sales and use tax revenue generated by the taxes described in Subsections
1026 (7)(a)(i)(A) through (D) in the current fiscal year.

1027 (ii) In any fiscal year in which the portion of the sales and use taxes deposited under
1028 Subsection (7)(a) would exceed 17% of the revenues collected from the sales and use taxes
1029 described in Subsections (7)(a)(i)(A) through (D) in the current fiscal year, the Division of
1030 Finance shall deposit 17% of the revenues collected from the sales and use taxes described in
1031 Subsections (7)(a)(i)(A) through (D) for the current fiscal year under Subsection (7)(a).

1032 (iii) Subject to Subsection (7)(b)(iv)(E), in all subsequent fiscal years after a year in
1033 which 17% of the revenues collected from the sales and use taxes described in Subsections
1034 (7)(a)(i)(A) through (D) was deposited under Subsection (7)(a), the Division of Finance shall
1035 annually deposit 17% of the revenues collected from the sales and use taxes described in
1036 Subsections (7)(a)(i)(A) through (D) in the current fiscal year under Subsection (7)(a).

1037 (iv) (A) As used in this Subsection (7)(b)(iv), "additional growth revenue" means the
1038 amount of relevant revenue collected in the current fiscal year that exceeds by more than 3% the
1039 relevant revenue collected in the previous fiscal year.

1040 (B) As used in this Subsection (7)(b)(iv), "combined amount" means the combined total
1041 amount of money deposited into the Cottonwood Canyons fund under Subsections (7)(b)(iv)(F)
1042 and (8)(d)(vi) in any single fiscal year.

1043 (C) As used in this Subsection (7)(b)(iv), "Cottonwood Canyons fund" means the
1044 Cottonwood Canyons Transportation Investment Fund created in Subsection [72-2-124\(10\)](#).

1045 (D) As used in this Subsection (7)(b)(iv), "relevant revenue" means the portion of taxes
1046 listed under Subsection (3)(a) that equals 17% of the revenue collected from taxes described in
1047 Subsections (7)(a)(i)(A) through (D).

1048 (E) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
1049 reduce the deposit under Subsection (7)(b)(iii) into the Transportation Investment Fund of 2005

1050 by an amount equal to the amount of the deposit under this Subsection (7)(b)(iv) to the
1051 Cottonwood Canyons fund in the previous fiscal year plus 25% of additional growth revenue,
1052 subject to the limit in Subsection (7)(b)(iv)(F).

1053 (F) The commission shall annually deposit the amount described in Subsection
1054 (7)(b)(iv)(E) into the Cottonwood Canyons fund, subject to an annual maximum combined
1055 amount for any single fiscal year of \$20,000,000.

1056 (G) If the amount of relevant revenue declines in a fiscal year compared to the previous
1057 fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood
1058 Canyons fund under this Subsection (7)(b)(iv) in the same proportion as the decline in relevant
1059 revenue.

1060 (c) (i) For a fiscal year beginning on or after July 1, 2023, the commission shall annually
1061 reduce the deposit into the Transportation Investment Fund of 2005 under Subsections (7)(a) and
1062 (7)(b) by an amount that is equal to 5% of:

1063 (A) the amount of revenue generated in the current fiscal year by the portion of taxes
1064 listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes described
1065 in Subsections (7)(a)(i)(A) through (D);

1066 (B) the amount of revenue generated in the current fiscal year by registration fees
1067 designated under Section [41-1a-1201](#) to be deposited into the Transportation Investment Fund of
1068 2005; and

1069 (C) revenues transferred by the Division of Finance to the Transportation Investment
1070 Fund of 2005 in accordance with Section [72-2-106](#) in the current fiscal year.

1071 (ii) The commission shall annually deposit the amount described in Subsection (7)(c)(i)
1072 into the Active Transportation Investment Fund created in Subsection [72-2-124](#)(11).

1073 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
1074 Subsections (6) and (7), and subject to Subsections (8)(b) and (d)(v), for a fiscal year beginning
1075 on or after July 1, 2018, the commission shall annually deposit into the Transportation
1076 Investment Fund of 2005 created by Section [72-2-124](#) a portion of the taxes listed under
1077 Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the following
1078 taxes:

1079 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1080 (ii) the tax imposed by Subsection (2)(b)(i);

1081 (iii) the tax imposed by Subsection (2)(c)(i); and

1082 (iv) the tax imposed by Subsection (2)(e)(i)(A)(I).

1083 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
1084 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(a) by
1085 an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by
1086 the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale or
1087 use in this state that exceeds 29.4 cents per gallon.

1088 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
1089 into the Transit Transportation Investment Fund created in Section [72-2-124](#).

1090 (d) (i) As used in this Subsection (8)(d), "additional growth revenue" means the amount
1091 of relevant revenue collected in the current fiscal year that exceeds by more than 3% the relevant
1092 revenue collected in the previous fiscal year.

1093 (ii) As used in this Subsection (8)(d), "combined amount" means the combined total
1094 amount of money deposited into the Cottonwood Canyons fund under Subsections (7)(b)(iv)(F)
1095 and (8)(d)(vi) in any single fiscal year.

1096 (iii) As used in this Subsection (8)(d), "Cottonwood Canyons fund" means the
1097 Cottonwood Canyons Transportation Investment Fund created in Subsection [72-2-124](#)(10).

1098 (iv) As used in this Subsection (8)(d), "relevant revenue" means the portion of taxes
1099 listed under Subsection (3)(a) that equals 3.68% of the revenue collected from taxes described
1100 in Subsections (8)(a)(i) through (iv).

1101 (v) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
1102 reduce the deposit under Subsection (8)(a) into the Transportation Investment Fund of 2005 by
1103 an amount equal to the amount of the deposit under this Subsection (8)(d) to the Cottonwood
1104 Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the
1105 limit in Subsection (8)(d)(vi).

1106 (vi) The commission shall annually deposit the amount described in Subsection
1107 (8)(d)(v) into the Cottonwood Canyons fund, subject to an annual maximum combined amount for
1108 any single fiscal year of \$20,000,000.

1109 (vii) If the amount of relevant revenue declines in a fiscal year compared to the previous
1110 fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood
1111 Canyons fund under this Subsection (8)(d) in the same proportion as the decline in relevant
1112 revenue.

1113 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year

1114 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
1115 created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

1116 (10) (a) Notwithstanding Subsection (3)(a), except as provided in Subsection (10)(b),
1117 and in addition to any amounts deposited under Subsections (6), (7), and (8), the Division of
1118 Finance shall deposit into the Transportation Investment Fund of 2005 created by Section
1119 72-2-124 the amount of revenue described as follows:

1120 (i) for fiscal year 2020-21 only, 33.33% of the amount of revenue generated by a .05%
1121 tax rate on the transactions described in Subsection (1); and

1122 (ii) for fiscal year 2021-22 only, 16.67% of the amount of revenue generated by a .05%
1123 tax rate on the transactions described in Subsection (1).

1124 (b) For purposes of Subsection (10)(a), the Division of Finance may not deposit into the
1125 Transportation Investment Fund of 2005 any tax revenue generated by amounts paid or charged
1126 for food and food ingredients, except for tax revenue generated by a bundled transaction
1127 attributable to food and food ingredients and tangible personal property other than food and food
1128 ingredients described in Subsection (2)(e).

1129 (11) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the fiscal
1130 year during which the Division of Finance receives notice under Section 63N-2-510 that
1131 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the Division of
1132 Finance shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue
1133 generated by the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund,
1134 created in Section 63N-2-512.

1135 (12) (a) The rate specified in this subsection is 0.15%.

1136 (b) Notwithstanding Subsection (3)(a), the Division of Finance shall, for a fiscal year
1137 beginning on or after July 1, 2019, annually transfer the amount of revenue collected from the
1138 rate described in Subsection (12)(a) on the transactions that are subject to the sales and use tax
1139 under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created in Section 26-36b-208.

1140 (13) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
1141 2020-21, the Division of Finance shall deposit \$200,000 into the General Fund as a dedicated
1142 credit solely for use of the Search and Rescue Financial Assistance Program created in, and
1143 expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

1144 (14) (a) For each fiscal year beginning with fiscal year 2020-21, the Division of
1145 Finance shall annually transfer \$1,813,400 of the revenue deposited into the Transportation

1146 Investment Fund of 2005 under Subsections (6) through (8) to the General Fund.

1147 (b) If the total revenue deposited into the Transportation Investment Fund of 2005 under
1148 Subsections (6) through (8) is less than \$1,813,400 for a fiscal year, the Division of Finance
1149 shall transfer the total revenue deposited into the Transportation Investment Fund of 2005 under
1150 Subsections (6) through (8) during the fiscal year to the General Fund.

1151 (15) Notwithstanding Subsection (3)(a), and as described in Section [63N-3-610](#),
1152 beginning the first day of the calendar quarter one year after the sales and use tax boundary for a
1153 housing and transit reinvestment zone is established, the commission, at least annually, shall
1154 transfer an amount equal to 15% of the sales and use tax increment within an established sales
1155 and use tax boundary, as defined in Section [63N-3-602](#), into the Transit Transportation
1156 Investment Fund created in Section [72-2-124](#).

1157 (16) Notwithstanding Subsection (3)(a), the Division of Finance shall, for a fiscal year
1158 beginning on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure Restricted
1159 Account, created in Section [51-9-902](#), a portion of the taxes listed under Subsection (3)(a) equal
1160 to 1% of the revenues collected from the following sales and use taxes:

- 1161 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 1162 (b) the tax imposed by Subsection (2)(b)(i);
- 1163 (c) the tax imposed by Subsection (2)(c)(i); and
- 1164 (d) the tax imposed by Subsection (2)(e)(i)(A)(I).

1165 Section 9. Section [59-12-2220](#) is amended to read:

1166 **[59-12-2220. County option sales and use tax to fund a system for public transit --](#)**
1167 **Base -- Rate.**

1168 (1) Subject to the other provisions of this part and subject to the requirements of this
1169 section, beginning on July 1, 2019, the following counties may impose a sales and use tax under
1170 this section:

1171 (a) a county legislative body may impose the sales and use tax on the transactions
1172 described in Subsection [59-12-103](#)(1) located within the county, including the cities and towns
1173 within the county if:

- 1174 (i) the entire boundary of a county is annexed into a large public transit district; and
- 1175 (ii) the maximum amount of sales and use tax authorizations allowed pursuant to Section
1176 [59-12-2203](#) and authorized under the following sections has been imposed:

1177 (A) Section [59-12-2213](#);

1178 (B) Section 59-12-2214;

1179 (C) Section 59-12-2215;

1180 (D) Section 59-12-2216;

1181 (E) Section 59-12-2217;

1182 (F) Section 59-12-2218; and

1183 (G) Section 59-12-2219;

1184 (b) if the county is not annexed into a large public transit district, the county legislative
1185 body may impose the sales and use tax on the transactions described in Subsection 59-12-103(1)
1186 located within the county, including the cities and towns within the county if:

1187 (i) the county is an eligible political subdivision as defined in Section 59-12-2219; or

1188 (ii) a city or town within the boundary of the county is an eligible political subdivision
1189 as defined in Section 59-12-2219; or

1190 (c) a county legislative body of a county not described in Subsection (1)(a) may impose
1191 the sales and use tax on the transactions described in Subsection 59-12-103(1) located within the
1192 county, including the cities and towns within the county, if there is a public transit district within
1193 the boundary of the county.

1194 (2) For purposes of Subsection (1) and subject to the other provisions of this section, a
1195 county legislative body that imposes a sales and use tax under this section may impose the tax at
1196 a rate of .2%.

1197 (3) A county imposing a sales and use tax under this section shall expend the revenues
1198 collected from the sales and use tax for capital expenses and service delivery expenses of:

1199 (a) a public transit district;

1200 (b) an eligible political subdivision, as that term is defined in Section 59-12-2219; or

1201 (c) another entity providing a service for public transit or a transit facility within the
1202 county as those terms are defined in Section 17B-2a-802.

1203 (4) Notwithstanding Section 59-12-2208, a county legislative body may, but is not
1204 required to, submit an opinion question to the county's registered voters in accordance with
1205 Section 59-12-2208 to impose a sales and use tax under this section.

1206 (5) (a) Notwithstanding any other provision in this section, if a county wishes to impose
1207 a sales and use tax under this section, the county legislative body shall pass the ordinance to
1208 impose a sales and use tax under this section on or before June 30, [~~2023~~] 2026.

1209 (b) The county legislative body may not pass an ordinance to impose a sales and use tax

1210 under this section on or after July 1, [~~2023~~] 2026.

1211 (c) Notwithstanding the deadline described in Subsection (5)(a), any sales and use tax
1212 imposed under this section on or before June 30, 2023, may remain in effect.

1213 (6) (a) Revenue collected from a sales and use tax under this section may not be used to
1214 supplant existing General Fund appropriations that a county has budgeted for transportation or
1215 public transit as of the date the tax becomes effective for a county.

1216 (b) The limitation under Subsection (6)(a) does not apply to a designated transportation
1217 or public transit capital or reserve account a county may have established prior to the date the
1218 tax becomes effective.

1219 Section 10. Section **72-1-102** is amended to read:

1220 **72-1-102. Definitions.**

1221 As used in this title:

1222 (1) "Circulator alley" means a publicly owned passageway:

1223 (a) with a right-of-way width of 20 feet or greater;

1224 (b) located within a master planned community;

1225 (c) established by the city having jurisdictional authority as part of the street network for
1226 traffic circulation that may also be used for:

1227 (i) garbage collection;

1228 (ii) access to residential garages; or

1229 (iii) access rear entrances to a commercial establishment; and

1230 (d) constructed with a bituminous or concrete pavement surface.

1231 (2) "Commission" means the Transportation Commission created under Section

1232 [72-1-301](#).

1233 (3) "Construction" means the construction, reconstruction, replacement, and
1234 improvement of the highways, including the acquisition of rights-of-way and material sites.

1235 (4) "Department" means the Department of Transportation created in Section [72-1-201](#).

1236 (5) "Executive director" means the executive director of the department appointed under
1237 Section [72-1-202](#).

1238 (6) "Farm tractor" has the meaning set forth in Section [41-1a-102](#).

1239 (7) "Federal aid primary highway" means that portion of connected main highways
1240 located within this state officially designated by the department and approved by the United
1241 States Secretary of Transportation under Title 23, Highways, U.S.C.

1242 (8) "Fixed guideway" means the same as that term is defined in Section [59-12-102](#).

1243 (9) (a) "Fixed guideway capital development" means a project to construct or
1244 reconstruct a public transit fixed guideway facility that will add capacity to a fixed guideway
1245 public transit facility.

1246 (b) "Fixed guideway capital development" includes:

1247 (i) a project to strategically double track commuter rail lines; and

1248 (ii) a project to develop and construct public transit facilities and related infrastructure
1249 pertaining to the Point of the Mountain State Land Authority created in Section [11-59-201](#).

1250 (10) "Greenfield" means the same as that term is defined in Section [17C-1-102](#).

1251 [~~(10)~~] (11) "Highway" means any public road, street, alley, lane, court, place, viaduct,
1252 tunnel, culvert, bridge, or structure laid out or erected for public use, or dedicated or abandoned
1253 to the public, or made public in an action for the partition of real property, including the entire
1254 area within the right-of-way.

1255 [~~(11)~~] (12) "Highway authority" means the department or the legislative, executive, or
1256 governing body of a county or municipality.

1257 [~~(12)~~] (13) "Housing and transit reinvestment zone" means the same as that term is
1258 defined in Section [63N-3-602](#).

1259 [~~(13)~~] (14) "Implement of husbandry" has the meaning set forth in Section [41-1a-102](#).

1260 [~~(14)~~] (15) "Interstate system" means any highway officially designated by the
1261 department and included as part of the national interstate and defense highways, as provided in
1262 the Federal Aid Highway Act of 1956 and any supplemental acts or amendments.

1263 [~~(15)~~] (16) "Large public transit district" means the same as that term is defined in
1264 Section [17B-2a-802](#).

1265 [~~(16)~~] (17) "Limited-access facility" means a highway especially designated for through
1266 traffic, and over, from, or to which neither owners nor occupants of abutting lands nor other
1267 persons have any right or easement, or have only a limited right or easement of access, light, air,
1268 or view.

1269 [~~(17)~~] (18) "Master planned community" means a land use development:

1270 (a) designated by the city as a master planned community; and

1271 (b) comprised of a single development agreement for a development larger than 500
1272 acres.

1273 [~~(18)~~] (19) "Motor vehicle" has the same meaning set forth in Section [41-1a-102](#).

- 1274 [~~(19)~~] (20) "Municipality" has the same meaning set forth in Section 10-1-104.
- 1275 [~~(20)~~] (21) "National highway systems highways" means that portion of connected main
1276 highways located within this state officially designated by the department and approved by the
1277 United States Secretary of Transportation under Title 23, Highways, U.S.C.
- 1278 [~~(21)~~] (22) (a) "Port-of-entry" means a fixed or temporary facility constructed, operated,
1279 and maintained by the department where drivers, vehicles, and vehicle loads are checked or
1280 inspected for compliance with state and federal laws as specified in Section 72-9-501.
- 1281 (b) "Port-of-entry" includes inspection and checking stations and weigh stations.
- 1282 [~~(22)~~] (23) "Port-of-entry agent" means a person employed at a port-of-entry to perform
1283 the duties specified in Section 72-9-501.
- 1284 [~~(23)~~] (24) "Public transit" means the same as that term is defined in Section
1285 17B-2a-802.
- 1286 [~~(24)~~] (25) "Public transit facility" means a fixed guideway, transit vehicle, transit
1287 station, depot, passenger loading or unloading zone, parking lot, or other facility:
- 1288 (a) leased by or operated by or on behalf of a public transit district; and
1289 (b) related to the public transit services provided by the district, including:
- 1290 (i) railway or other right-of-way;
1291 (ii) railway line; and
1292 (iii) a reasonable area immediately adjacent to a designated stop on a route traveled by
1293 a transit vehicle.
- 1294 [~~(25)~~] (26) "Right-of-way" means real property or an interest in real property, usually in
1295 a strip, acquired for or devoted to [~~a highway~~] state transportation purposes.
- 1296 [~~(26)~~] (27) "Sealed" does not preclude acceptance of electronically sealed and
1297 submitted bids or proposals in addition to bids or proposals manually sealed and submitted.
- 1298 [~~(27)~~] (28) "Semitrailer" has the meaning set forth in Section 41-1a-102.
- 1299 [~~(28)~~] (29) "SR" means state route and has the same meaning as state highway as defined
1300 in this section.
- 1301 [~~(29)~~] (30) "State highway" means those highways designated as state highways in Title
1302 72, Chapter 4, Designation of State Highways Act.
- 1303 [~~(30)~~] (31) "State transportation purposes" has the meaning set forth in Section
1304 72-5-102.
- 1305 [~~(31)~~] (32) "State transportation systems" means all streets, alleys, roads, highways,

1306 pathways, and thoroughfares of any kind, including connected structures, airports, aerial corridor
 1307 infrastructure, spaceports, public transit facilities, and all other modes and forms of conveyance
 1308 used by the public.

1309 ~~[(32)]~~ (33) "Trailer" has the meaning set forth in Section 41-1a-102.

1310 ~~[(33)]~~ (34) "Transportation reinvestment zone" means a transportation reinvestment zone
 1311 created pursuant to Section 11-13-227.

1312 ~~[(34)]~~ (35) "Truck tractor" has the meaning set forth in Section 41-1a-102.

1313 ~~[(35)]~~ (36) "UDOT" means the Utah Department of Transportation.

1314 ~~[(36)]~~ (37) "Vehicle" has the same meaning set forth in Section 41-1a-102.

1315 Section 11. Section 72-1-202 is amended to read:

1316 **72-1-202. Executive director of department -- Appointment -- Qualifications --**
 1317 **Term -- Responsibility -- Power to bring suits -- Salary.**

1318 (1) (a) The governor, with the advice and consent of the Senate, shall appoint an
 1319 executive director to be the chief executive officer of the department.

1320 (b) The executive director shall be a registered professional engineer and qualified
 1321 executive with technical and administrative experience and training appropriate for the position.

1322 (c) The executive director shall remain in office until a successor is appointed.

1323 (d) The executive director may be removed by the governor.

1324 (2) In addition to the other functions, powers, duties, rights, and responsibilities
 1325 prescribed in this chapter, the executive director shall:

1326 (a) have responsibility for the administrative supervision of the state transportation
 1327 systems and the various operations of the department;

1328 (b) have the responsibility for the implementation of rules, priorities, and policies
 1329 established by the department and the commission;

1330 (c) have the responsibility for the oversight and supervision of[:]

1331 ~~[(i)]~~ any transportation project for which state funds are expended; ~~[and]~~

1332 ~~[(ii)] any fixed guideway capital development project within the boundaries of a large~~
 1333 ~~public transit district for which any state funds are expended;]~~

1334 (d) have full power to bring suit in courts of competent jurisdiction in the name of the
 1335 department as the executive director considers reasonable and necessary for the proper
 1336 attainment of the goals of this chapter;

1337 (e) receive a salary, to be established by the governor within the salary range fixed by

1338 the Legislature in Title 67, Chapter 22, State Officer Compensation, together with actual
1339 traveling expenses while away from the executive director's office on official business;

1340 (f) purchase all equipment, services, and supplies necessary to achieve the department's
1341 functions, powers, duties, rights, and responsibilities delegated under Section 72-1-201;

1342 (g) have the responsibility to determine whether a purchase from, contribution to, or
1343 other participation with a public entity or association of public entities in a pooled fund program
1344 to acquire, develop, or share information, data, reports, or other services related to the
1345 department's mission are procurement items under Title 63G, Chapter 6a, Utah Procurement
1346 Code;

1347 (h) have responsibility for administrative supervision of the Comptroller Division, the
1348 Internal Audit Division, and the Communications Division; and

1349 (i) appoint assistants, to serve at the discretion of the executive director, to administer
1350 the divisions of the department.

1351 (3) The executive director may employ other assistants and advisers as the executive
1352 director finds necessary and fix salaries in accordance with the salary standards adopted by the
1353 Division of Human Resource Management.

1354 [~~(4) (a) For a fixed guideway capital development project within the boundaries of a
1355 large public transit district for which state funds are expended, responsibilities of the executive
1356 director include:]~~

1357 [~~(i) project development for a fixed guideway capital development project in a large
1358 public transit district;]~~

1359 [~~(ii) oversight and coordination of planning, including:]~~

1360 [~~(A) development of statewide strategic initiatives for planning across all modes of
1361 transportation;]~~

1362 [~~(B) coordination with metropolitan planning organizations;]~~

1363 [~~(C) coordination with a large public transit district, including planning, project
1364 development, outreach, programming, environmental studies and impact statements, construction,
1365 and impacts on public transit operations; and]~~

1366 [~~(D) corridor and area planning;]~~

1367 [~~(iii) programming and prioritization of fixed guideway capital development projects;]~~

1368 [~~(iv) fulfilling requirements for environmental studies and impact statements; and]~~

1369 [~~(v) resource investment, including identification, development, and oversight of~~

1370 ~~public-private partnership opportunities.]~~

1371 ~~[(5)(a) Before October 31, 2022, the department shall submit to the Transportation~~
1372 ~~Interim Committee a written plan for the department to assume management of all fixed guideway~~
1373 ~~capital development projects within a large public transit district for which state funds are~~
1374 ~~expended.]~~

1375 ~~[(b) The department shall consult with a large public transit district and relevant~~
1376 ~~metropolitan planning organizations in developing the plan described in Subsection (5)(a).]~~

1377 ~~[(c) The Transportation Interim Committee shall consider the plan submitted by the~~
1378 ~~department as described in Subsection (5)(a) and make recommendations to the Legislature~~
1379 ~~before December 1, 2022.]~~

1380 Section 12. Section **72-1-203** is amended to read:

1381 **72-1-203. Deputy director -- Appointment -- Qualifications -- Other assistants and**
1382 **advisers -- Salaries.**

1383 (1) The executive director shall appoint ~~[two]~~ the following deputy directors, who shall
1384 serve at the discretion of the executive director~~[-]~~:

1385 (a) the deputy director of engineering and operation, who shall be a registered
1386 professional engineer in the state, and who shall be the chief engineer of the department; and

1387 (b) the deputy director of planning and investment.

1388 ~~[(2)(a) The deputy director of engineering and operations shall be a registered~~
1389 ~~professional engineer in the state and is the chief engineer of the department.]~~

1390 ~~[(b) The deputy director of engineering and operations shall assist the executive director~~
1391 ~~with areas of responsibility that may include:]~~

1392 ~~[(i) project development, including statewide standards for project design and~~
1393 ~~construction, right-of-way, materials, testing, structures, and construction;]~~

1394 ~~[(ii) oversight of the management of the region offices described in Section [72-1-205](#)];]~~

1395 ~~[(iii) operations and traffic management;]~~

1396 ~~[(iv) oversight of operations of motor carriers and ports;]~~

1397 ~~[(v) transportation systems safety;]~~

1398 ~~[(vi) aeronautical operations; and]~~

1399 ~~[(vii) equipment for department engineering and maintenance functions.]~~

1400 ~~[(c) The deputy director of planning and investment shall assist the executive director~~
1401 ~~with areas of responsibility that may include:]~~

1402 ~~[(i) oversight and coordination of planning, including:]~~
1403 ~~[(A) development of statewide strategic initiatives for planning across all modes of~~
1404 ~~transportation;]~~
1405 ~~[(B) coordination with metropolitan planning organizations and local governments; and]~~
1406 ~~[(C) corridor and area planning;]~~
1407 ~~[(ii) asset management;]~~
1408 ~~[(iii) programming and prioritization of transportation projects;]~~
1409 ~~[(iv) fulfilling requirements for environmental studies and impact statements;]~~
1410 ~~[(v) resource investment, including identification, development, and oversight of~~
1411 ~~public-private partnership opportunities;]~~
1412 ~~[(vi) data analytics services to the department;]~~
1413 ~~[(vii) corridor preservation;]~~
1414 ~~[(viii) employee development;]~~
1415 ~~[(ix) maintenance planning; and]~~
1416 ~~[(x) oversight and facilitation of the negotiations and integration of public transit~~
1417 ~~providers described in Section [17B-2a-827](#).]~~

1418 (2) As assigned by the executive director, the deputy directors described in Subsection
1419 (1) may assist the executive director with the following departmental responsibilities:

1420 (a) project development, including statewide standards for project design and
1421 construction, right-of-way, materials, testing, structures, and construction;
1422 (b) oversight of the management of the region offices described in Section [72-1-205](#);
1423 (c) operations and traffic management;
1424 (d) oversight of operations of motor carriers and ports;
1425 (e) transportation systems safety;
1426 (f) aeronautical operations;
1427 (g) equipment for department engineering and maintenance functions;
1428 (h) oversight and coordination of planning, including:
1429 (i) development of statewide strategic initiatives for planning across all modes of
1430 transportation;
1431 (ii) coordination with metropolitan planning organizations and local governments;
1432 (iii) coordination with a large public transit district, including planning, project
1433 development, outreach, programming, environmental studies and impact statements, construction,

- 1434 and impacts on public transit operations; and
- 1435 (iv) corridor and area planning;
- 1436 (i) asset management;
- 1437 (j) programming and prioritization of transportation projects;
- 1438 (k) fulfilling requirements for environmental studies and impact statements;
- 1439 (l) resource investment, including identification, development, and oversight of
- 1440 public-private partnership opportunities;
- 1441 (m) data analytics services to the department;
- 1442 (n) corridor preservation;
- 1443 (o) employee development;
- 1444 (p) maintenance planning;
- 1445 (q) oversight and facilitation of the negotiations and integration of public transit
- 1446 providers described in Section [17B-2a-827](#);
- 1447 (r) oversight and supervision of any fixed guideway capital development project within
- 1448 the boundaries of a large public transit district for which any state funds are expended, including
- 1449 those responsibilities described in Subsections (2)(a), (h), (j), (k), and (l); and
- 1450 (s) other departmental responsibilities as determined by the executive director.
- 1451 (3) The executive director shall ensure that the same deputy director does not oversee or
- 1452 supervise both the fixed guideway capital development responsibilities described in Subsection
- 1453 (2)(r) and the department's fixed guideway rail safety responsibilities, including the
- 1454 responsibilities described in Section [72-1-214](#).
- 1455 Section 13. Section **72-1-213.2** is amended to read:
- 1456 **72-1-213.2. Road Usage Charge Program Special Revenue Fund -- Revenue.**
- 1457 (1) There is created [a] an expendable special revenue fund within the Transportation
- 1458 Fund known as the "Road Usage Charge Program Special Revenue Fund."
- 1459 (2) (a) The fund shall be funded from the following sources:
- 1460 (i) revenue collected by the department under Section [72-1-213.1](#);
- 1461 (ii) appropriations made to the fund by the Legislature;
- 1462 (iii) contributions from other public and private sources for deposit into the fund;
- 1463 (iv) interest earnings on cash balances; and
- 1464 (v) money collected for repayments and interest on fund money.
- 1465 (b) If the revenue derived from the sources described in Subsection (2)(a) is insufficient

1466 to cover the costs of administering the road usage charge program, subject to Subsection
1467 [72-2-107](#)(1), the department may transfer into the fund revenue deposited into the Transportation
1468 Fund from the fee described in Subsections [41-1a-1206](#)(1)(h) and (2)(b) in an amount sufficient
1469 to enable the department to administer the road usage charge program.

1470 (3) (a) Revenue generated by the road usage charge program and relevant penalties shall
1471 be deposited into the Road Usage Charge Program Special Revenue Fund.

1472 (b) Revenue in the Road Usage Charge Program Special Revenue Fund is nonlapsing.

1473 (4) [~~Upon appropriation by the Legislature, the~~] The department may use revenue
1474 deposited into the Road Usage Charge Program Special Revenue Fund:

1475 (a) to cover the costs of administering the program; and

1476 (b) for [~~state transportation purposes~~] the purposes described in Subsection (5).

1477 (5) If revenue collected by the department under Section [72-1-213.1](#) in a fiscal year is
1478 sufficient to cover all costs related to administering the road usage charge program in that fiscal
1479 year, the department shall deposit any excess revenue collected by the department under Section
1480 [72-1-213.1](#) from the Road Usage Charge Program Special Revenue Fund into the Transportation
1481 Fund for appropriation and apportionment in accordance with Section [72-2-107](#).

1482 Section 14. Section **72-1-304** is amended to read:

1483 **72-1-304. Written project prioritization process for new transportation capacity**
1484 **projects -- Rulemaking.**

1485 (1) (a) The Transportation Commission, in consultation with the department and the
1486 metropolitan planning organizations as defined in Section [72-1-208.5](#), shall develop a written
1487 prioritization process for the prioritization of:

1488 (i) new transportation capacity projects that are or will be part of the state highway
1489 system under Chapter 4, Part 1, State Highways;

1490 (ii) paved pedestrian or paved nonmotorized transportation projects [~~that:~~] described in
1491 Section [72-2-124](#);

1492 [~~(A) mitigate traffic congestion on the state highway system; and]~~

1493 [~~(B) are part of an active transportation plan approved by the department;]~~

1494 (iii) public transit projects that directly add capacity to the public transit systems within
1495 the state, not including facilities ancillary to the public transit system; and

1496 (iv) pedestrian or nonmotorized transportation projects that provide connection to a
1497 public transit system.

1498 (b) (i) A local government or district may nominate a project for prioritization in
1499 accordance with the process established by the commission in rule.

1500 (ii) If a local government or district nominates a project for prioritization by the
1501 commission, the local government or district shall provide data and evidence to show that:

1502 (A) the project will advance the purposes and goals described in Section 72-1-211;

1503 (B) for a public transit project, the local government or district has an ongoing funding
1504 source for operations and maintenance of the proposed development; and

1505 (C) the local government or district will provide 40% of the costs for the project as
1506 required by Subsection 72-2-124(4)(a)(viii) or 72-2-124(9)(e).

1507 (2) The following shall be included in the written prioritization process under
1508 Subsection (1):

1509 (a) a description of how the strategic initiatives of the department adopted under Section
1510 72-1-211 are advanced by the written prioritization process;

1511 (b) a definition of the type of projects to which the written prioritization process
1512 applies;

1513 (c) specification of a weighted criteria system that is used to rank proposed projects and
1514 how it will be used to determine which projects will be prioritized;

1515 (d) specification of the data that is necessary to apply the weighted ranking criteria; and

1516 (e) any other provisions the commission considers appropriate, which may include
1517 consideration of:

1518 (i) regional and statewide economic development impacts, including improved local
1519 access to:

1520 (A) employment;

1521 (B) educational facilities;

1522 (C) recreation;

1523 (D) commerce; and

1524 (E) residential areas, including moderate income housing as demonstrated in the local
1525 government's or district's general plan pursuant to Section 10-9a-403 or 17-27a-403;

1526 (ii) the extent to which local land use plans relevant to a project support and accomplish
1527 the strategic initiatives adopted under Section 72-1-211; and

1528 (iii) any matching funds provided by a political subdivision or public transit district in
1529 addition to the 40% required by Subsections 72-2-124(4)(a)(viii) and 72-2-124(9)(e).

1530 (3) (a) When prioritizing a public transit project that increases capacity, the
1531 commission:

1532 (i) may give priority consideration to projects that are part of a transit-oriented
1533 development or transit-supportive development as defined in Section 17B-2a-802; and

1534 (ii) shall give priority consideration to projects that are within the boundaries of a
1535 housing and transit reinvestment zone created pursuant to Title 63N, Chapter 3, Part 6, Housing
1536 and Transit Reinvestment Zone Act.

1537 (b) When prioritizing a transportation project that increases capacity, the commission
1538 may give priority consideration to projects that are:

1539 (i) part of a transportation reinvestment zone created under Section 11-13-227 if:

1540 (A) the state is a participant in the transportation reinvestment zone; or

1541 (B) the commission finds that the transportation reinvestment zone provides a benefit to
1542 the state transportation system; or

1543 (ii) within the boundaries of a housing and transit reinvestment zone created pursuant to
1544 Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.

1545 (c) If the department receives a notice of prioritization for a municipality as described in
1546 Subsection 10-9a-408(5), or a notice of prioritization for a county as described in Subsection
1547 17-27a-408(5), the commission may, during the fiscal year specified in the notice, give priority
1548 consideration to transportation projects that are within the boundaries of the municipality or the
1549 unincorporated areas of the county.

1550 (4) In developing the written prioritization process, the commission:

1551 (a) shall seek and consider public comment by holding public meetings at locations
1552 throughout the state; and

1553 (b) may not consider local matching dollars as provided under Section 72-2-123 unless
1554 the state provides an equal opportunity to raise local matching dollars for state highway
1555 improvements within each county.

1556 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1557 Transportation Commission, in consultation with the department, shall make rules establishing
1558 the written prioritization process under Subsection (1).

1559 (6) The commission shall submit the proposed rules under this section to a committee or
1560 task force designated by the Legislative Management Committee for review prior to taking final
1561 action on the proposed rules or any proposed amendment to the rules described in Subsection

1562 (5).

1563 Section 15. Section **72-1-305** is amended to read:

1564 **72-1-305. Project selection using the written prioritization process -- Public**
1565 **comment -- Report.**

1566 (1) Except as provided in Subsection (4), in determining priorities and funding levels of
1567 projects in the state transportation system under Subsection **72-1-303(1)(a)** that are new
1568 transportation capacity projects, the commission shall use the weighted criteria system adopted
1569 in the written prioritization process under Section **72-1-304**.

1570 (2) Prior to finalizing priorities and funding levels of projects in the state transportation
1571 system, the commission shall conduct public hearings at locations around the state and accept
1572 public comments on:

1573 (a) the written prioritization process;

1574 (b) the merits of new transportation capacity projects that will be prioritized under this
1575 section; and

1576 (c) the merits of new transportation capacity projects as recommended by a consensus of
1577 local elected officials participating in a metropolitan planning organization as defined in Section
1578 **72-1-208.5**.

1579 (3) The commission shall make the weighted criteria system ranking for each project
1580 publicly available prior to the public hearings held under Subsection (2).

1581 (4) (a) If the commission prioritizes a project over another project with a higher rank
1582 under the weighted criteria system, the commission shall identify the change and accept public
1583 comment at a hearing held under this section on the merits of prioritizing the project above
1584 higher ranked projects.

1585 (b) The commission shall make the reasons for the prioritization under Subsection (4)(a)
1586 publicly available.

1587 (5) (a) The executive director or the executive director's designee shall report annually
1588 to the governor and a committee designated by the Legislative Management Committee no later
1589 than the last day of October:

1590 (i) the projects prioritized under this section during the year prior to the report; and

1591 (ii) the status and progress of all projects prioritized under this section.

1592 (b) Annually, before any funds are programmed and allocated from the Transit
1593 Transportation Investment Fund created in Section **72-2-124** for each fiscal year, the executive

1594 director or the executive director's designee, along with the executive director of a large public
1595 transit district as described in Section 17B-2a-802, shall report to the governor and a committee
1596 designated by the Legislative Management Committee no later than the last day of October:

1597 (i) the public transit projects prioritized under this section during the year prior to the
1598 report; and

1599 (ii) the status and progress of all public transit projects prioritized under this section.

1600 (6) The department shall annually report to the Transportation Commission on the status
1601 of new capacity transportation projects, including projects that were funded by the Legislature in
1602 an appropriations act.

1603 [~~(6) (a) The department may not delay a new transportation capacity project that was~~
1604 ~~funded by the Legislature in an appropriations act to a different fiscal year than programmed by~~
1605 ~~the commission due to an unavoidable shortfall in revenues unless the project delays are~~
1606 ~~prioritized and approved by the Transportation Commission.]~~

1607 [~~(b) The Transportation Commission shall prioritize and approve any new transportation~~
1608 ~~capacity project delays for projects that were funded by the Legislature in an appropriations act~~
1609 ~~due to an unavoidable shortfall in revenues.]~~

1610 Section 16. Section 72-2-106 is amended to read:

1611 **72-2-106. Appropriation and transfers from Transportation Fund.**

1612 (1) On and after July 1, 1981, there is appropriated from the Transportation Fund to the
1613 use of the department an amount equal to two-elevenths of the taxes collected from the motor fuel
1614 tax and the special fuel tax, exclusive of the formula amount appropriated for class B and class C
1615 roads, to be used for highway rehabilitation.

1616 (2) For a fiscal year beginning on or after July 1, 2016, the Division of Finance shall
1617 annually transfer an amount equal to the amount of revenue generated by a tax imposed on motor
1618 and special fuel that is sold, used, or received for sale or used in this state at a rate of 1.8 cents
1619 per gallon to the Transportation Investment Fund of 2005 created by Section 72-2-124.

1620 (3) For a fiscal year beginning on or after July 1, 2019, the Division of Finance shall
1621 annually transfer to the Transportation Investment Fund of 2005 created by Section 72-2-124 an
1622 amount that is equal to 35% of the amount of revenue generated in the current fiscal year by the
1623 portion of the tax imposed on motor and special fuel that is sold, used, or received for sale or
1624 use in this state that exceeds 29.4 cents per gallon.

1625 (4) For purposes of the calculation described in Subsection 59-12-103(7)(c), the

1626 Division of Finance shall notify the State Tax Commission of the amount of any transfer made
1627 under Subsections (2) and (3).

1628 Section 17. Section **72-2-107** is amended to read:

1629 **72-2-107. Appropriation from Transportation Fund -- Apportionment for class B**
1630 **and class C roads.**

1631 (1) There is appropriated to the department from the Transportation Fund annually an
1632 amount equal to 30% of an amount which the director of finance shall compute in the following
1633 manner: The total revenue deposited into the Transportation Fund during the fiscal year from
1634 state highway-user taxes and fees, minus those amounts appropriated or transferred from the
1635 Transportation Fund during the same fiscal year to:

1636 (a) the Department of Public Safety;

1637 (b) the State Tax Commission;

1638 (c) the Division of Finance;

1639 (d) the Utah Travel Council;

1640 (e) except as provided in Section [72-1-213.2](#), the road usage charge program created in
1641 Section [72-1-213.1](#); and

1642 (f) any other amounts appropriated or transferred for any other state agencies not a part
1643 of the department.

1644 (2) (a) Except as provided in Subsections (2)(b) and (c), all of the money appropriated
1645 in Subsection (1) shall be apportioned among counties and municipalities for class B and class
1646 C roads as provided in this title.

1647 (b) The department shall annually transfer \$500,000 of the amount calculated under
1648 Subsection (1) to the State Park Access Highways Improvement Program created in Section
1649 [72-3-207](#).

1650 (c) Administrative costs of the department to administer class B and class C roads shall
1651 be paid from funds calculated under Subsection (1).

1652 (3) Each quarter of every year the department shall make the necessary accounting
1653 entries to transfer the money appropriated under this section for class B and class C roads.

1654 (4) The funds appropriated for class B and class C roads shall be expended under the
1655 direction of the department as the Legislature shall provide.

1656 Section 18. Section **72-2-123** is amended to read:

1657 **72-2-123. Rules adopting guidelines -- Partnering to finance state highway capacity**

1658 **improvements -- Partnering proposals.**

1659 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1660 commission, in consultation with representatives of local government, shall make rules adopting
1661 guidelines for partnering with counties and municipalities for their help to finance state highway
1662 improvement projects through:

1663 (a) local matching dollars; [~~or~~]

1664 (b) agreements regarding new revenue a county or municipality expects will be
1665 generated as a result of the construction of a state highway improvement project; or

1666 [~~(b)~~] (c) other local participation methods.

1667 (2) The guidelines described in Subsection (1) shall encourage partnering to help
1668 finance state highway improvement projects and provide for:

1669 (a) the consideration of factors relevant to a decision to make a program adjustment
1670 including the potential to:

1671 (i) extend department resources to other needed projects;

1672 (ii) alleviate significant existing or future congestion or hazards to the traveling public;

1673 and

1674 (iii) address a need that is widely recognized by the public, elected officials, and
1675 transportation planners;

1676 (b) a process for submitting, evaluating, and hearing partnering proposals; and

1677 (c) [~~keeping~~] the creation of a public record of each proposal from initial submission to
1678 final disposition.

1679 (3) The commission shall submit the proposed rules under this section to a committee or
1680 task force designated by the Legislative Management Committee for review prior to taking final
1681 action on the proposed rules or any proposed amendment to the rules.

1682 Section 19. Section **72-2-124** is amended to read:

1683 **72-2-124. Transportation Investment Fund of 2005.**

1684 (1) There is created a capital projects fund entitled the Transportation Investment Fund
1685 of 2005.

1686 (2) The fund consists of money generated from the following sources:

1687 (a) any voluntary contributions received for the maintenance, construction,
1688 reconstruction, or renovation of state and federal highways;

1689 (b) appropriations made to the fund by the Legislature;

- 1690 (c) registration fees designated under Section 41-1a-1201;
- 1691 (d) the sales and use tax revenues deposited into the fund in accordance with Section
- 1692 59-12-103; and
- 1693 (e) revenues transferred to the fund in accordance with Section 72-2-106.
- 1694 (3) (a) The fund shall earn interest.
- 1695 (b) All interest earned on fund money shall be deposited into the fund.
- 1696 (4) (a) Except as provided in Subsection (4)(b), the executive director may only use
- 1697 fund money to pay:
- 1698 (i) the costs of maintenance, construction, reconstruction, or renovation to state and
- 1699 federal highways prioritized by the Transportation Commission through the prioritization
- 1700 process for new transportation capacity projects adopted under Section 72-1-304;
- 1701 (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway
- 1702 projects described in Subsections 63B-18-401(2), (3), and (4);
- 1703 (iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401
- 1704 minus the costs paid from the County of the First Class Highway Projects Fund in accordance
- 1705 with Subsection 72-2-121(4)(e);
- 1706 (iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt Lake
- 1707 County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount certified by Salt
- 1708 Lake County in accordance with Subsection 72-2-121.3(4)(c) as necessary to pay the debt
- 1709 service on \$30,000,000 of the revenue bonds issued by Salt Lake County;
- 1710 (v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101
- 1711 for projects prioritized in accordance with Section 72-2-125;
- 1712 (vi) all highway general obligation bonds that are intended to be paid from revenues in
- 1713 the Centennial Highway Fund created by Section 72-2-118;
- 1714 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First
- 1715 Class Highway Projects Fund created in Section 72-2-121 to be used for the purposes described
- 1716 in Section 72-2-121;
- 1717 (viii) if a political subdivision provides a contribution equal to or greater than 40% of
- 1718 the costs needed for construction, reconstruction, or renovation of paved pedestrian or paved
- 1719 nonmotorized transportation for projects that:
- 1720 (A) mitigate traffic congestion on the state highway system;
- 1721 (B) are part of an active transportation plan approved by the department; and

- 1722 (C) are prioritized by the commission through the prioritization process for new
1723 transportation capacity projects adopted under Section 72-1-304;
- 1724 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction, reconstruction,
1725 or renovation of or improvement to the following projects:
- 1726 (A) the connector road between Main Street and 1600 North in the city of Vineyard;
1727 (B) Geneva Road from University Parkway to 1800 South;
1728 (C) the SR-97 interchange at 5600 South on I-15;
1729 (D) two lanes on U-111 from Herriman Parkway to 11800 South;
1730 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
1731 (F) improvements to 1600 North in Orem from 1200 West to State Street;
1732 (G) widening I-15 between mileposts 6 and 8;
1733 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
1734 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197 in
1735 Spanish Fork Canyon;
1736 (J) I-15 northbound between mileposts 43 and 56;
1737 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts 43
1738 and 45.1;
1739 (L) east Zion SR-9 improvements;
1740 (M) Toquerville Parkway;
1741 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
1742 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds, for
1743 construction of an interchange on Bangerter Highway at 13400 South; and
1744 (P) an environmental impact study for Kimball Junction in Summit County; and
1745 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project
1746 costs based upon a statement of cash flow that the local jurisdiction where the project is located
1747 provides to the department demonstrating the need for money for the project, for the following
1748 projects in the following amounts:
- 1749 (A) \$5,000,000 for Payson Main Street repair and replacement;
1750 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
1751 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
1752 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S. 40
1753 between mile markers 7 and 10.

1754 (b) The executive director may use fund money to exchange for an equal or greater
1755 amount of federal transportation funds to be used as provided in Subsection (4)(a).

1756 (5) (a) Except as provided in Subsection (5)(b), if the department receives a notice of
1757 ineligibility for a municipality as described in Subsection 10-9a-408(7), the executive director
1758 may not program fund money to a project prioritized by the commission under Section 72-1-304,
1759 including fund money from the Transit Transportation Investment Fund, within the boundaries of
1760 the municipality during the fiscal year specified in the notice.

1761 (b) Within the boundaries of a municipality described in Subsection (5)(a), the executive
1762 director:

1763 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access
1764 facility or interchange connecting limited-access facilities;

1765 (ii) may not program fund money for the construction, reconstruction, or renovation of an
1766 interchange on a limited-access facility;

1767 (iii) may program Transit Transportation Investment Fund money for a multi-community
1768 fixed guideway public transportation project; and

1769 (iv) may not program Transit Transportation Investment Fund money for the
1770 construction, reconstruction, or renovation of a station that is part of a fixed guideway public
1771 transportation project.

1772 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
1773 director before July 1, 2022, for projects prioritized by the commission under Section 72-1-304.

1774 (6) (a) Except as provided in Subsection (6)(b), if the department receives a notice of
1775 ineligibility for a county as described in Subsection 17-27a-408(7), the executive director may
1776 not program fund money to a project prioritized by the commission under Section 72-1-304,
1777 including fund money from the Transit Transportation Investment Fund, within the boundaries of
1778 the unincorporated area of the county during the fiscal year specified in the notice.

1779 (b) Within the boundaries of the unincorporated area of a county described in Subsection
1780 (6)(a), the executive director:

1781 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access
1782 facility to a project prioritized by the commission under Section 72-1-304;

1783 (ii) may not program fund money for the construction, reconstruction, or renovation of an
1784 interchange on a limited-access facility;

1785 (iii) may program Transit Transportation Investment Fund money for a multi-community

1786 fixed guideway public transportation project; and

1787 (iv) may not program Transit Transportation Investment Fund money for the
1788 construction, reconstruction, or renovation of a station that is part of a fixed guideway public
1789 transportation project.

1790 (c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive
1791 director before July 1, 2022, for projects prioritized by the commission under Section 72-1-304.

1792 (7) (a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued
1793 in any fiscal year, the department and the commission shall appear before the Executive
1794 Appropriations Committee of the Legislature and present the amount of bond proceeds that the
1795 department needs to provide funding for the projects identified in Subsections 63B-18-401(2),
1796 (3), and (4) or Subsection 63B-27-101(2) for the current or next fiscal year.

1797 (b) The Executive Appropriations Committee of the Legislature shall review and
1798 comment on the amount of bond proceeds needed to fund the projects.

1799 (8) The Division of Finance shall, from money deposited into the fund, transfer the
1800 amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by
1801 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt service or
1802 sinking fund.

1803 (9) (a) There is created in the Transportation Investment Fund of 2005 the Transit
1804 Transportation Investment Fund.

1805 (b) The fund shall be funded by:

1806 (i) contributions deposited into the fund in accordance with Section 59-12-103;

1807 (ii) appropriations into the account by the Legislature;

1808 (iii) deposits of sales and use tax increment related to a housing and transit reinvestment
1809 zone as described in Section 63N-3-610;

1810 (iv) private contributions; and

1811 (v) donations or grants from public or private entities.

1812 (c) (i) The fund shall earn interest.

1813 (ii) All interest earned on fund money shall be deposited into the fund.

1814 (d) Subject to Subsection (9)(e), the [~~Legislature may appropriate~~] commission may
1815 prioritize money from the fund:

1816 (i) for public transit capital development of new capacity projects and fixed guideway
1817 capital development projects to be used as prioritized by the commission through the

1818 prioritization process adopted under Section [72-1-304](#); or

1819 ~~[(ii) for development of the oversight plan described in Section [72-1-202\(5\)](#); or]~~

1820 ~~[(iii)]~~ (ii) to the department for oversight of a fixed guideway capital development
1821 project for which the department has responsibility.

1822 (e) (i) The ~~[Legislature]~~ commission may only ~~[appropriate]~~ prioritize money from the
1823 fund for a public transit capital development project or pedestrian or nonmotorized
1824 transportation project that provides connection to the public transit system if the public transit
1825 district or political subdivision provides funds of equal to or greater than 40% of the costs
1826 needed for the project.

1827 (ii) A public transit district or political subdivision may use money derived from a loan
1828 granted pursuant to Title 72, Chapter 2, Part 2, State Infrastructure Bank Fund, to provide all or
1829 part of the 40% requirement described in Subsection (9)(e)(i) if:

1830 (A) the loan is approved by the commission as required in Title 72, Chapter 2, Part 2,
1831 State Infrastructure Bank Fund; and

1832 (B) the proposed capital project has been prioritized by the commission pursuant to
1833 Section [72-1-303](#).

1834 (f) Before July 1, 2022, the department and a large public transit district shall enter into
1835 an agreement for a large public transit district to pay the department \$5,000,000 per year for 15
1836 years to be used to facilitate the purchase of zero emissions or low emissions rail engines and
1837 trainsets for regional public transit rail systems.

1838 (10) (a) There is created in the Transportation Investment Fund of 2005 the Cottonwood
1839 Canyons Transportation Investment Fund.

1840 (b) The fund shall be funded by:

1841 (i) money deposited into the fund in accordance with Section [59-12-103](#);

1842 (ii) appropriations into the account by the Legislature;

1843 (iii) private contributions; and

1844 (iv) donations or grants from public or private entities.

1845 (c) (i) The fund shall earn interest.

1846 (ii) All interest earned on fund money shall be deposited into the fund.

1847 (d) The Legislature may appropriate money from the fund for public transit or
1848 transportation projects in the Cottonwood Canyons of Salt Lake County.

1849 (11) (a) There is created in the Transportation Investment Fund of 2005 the Active

1850 Transportation Investment Fund.

1851 (b) The fund shall be funded by:

1852 (i) money deposited into the fund in accordance with Section 59-12-103;

1853 (ii) appropriations into the account by the Legislature; and

1854 (iii) donations or grants from public or private entities.

1855 (c) (i) The fund shall earn interest.

1856 (ii) All interest earned on fund money shall be deposited into the fund.

1857 (d) The executive director may only use fund money to pay the costs needed for:

1858 (i) the planning, design, construction, maintenance, reconstruction, or renovation of
1859 paved pedestrian or paved nonmotorized trail projects that:

1860 (A) are prioritized by the commission through the prioritization process for new
1861 transportation capacity projects adopted under Section 72-1-304;

1862 (B) serve a regional purpose; and

1863 (C) are part of an active transportation plan approved by the department or the plan
1864 described in Subsection (11)(d)(ii);

1865 (ii) the development of a plan for a statewide network of paved pedestrian or paved
1866 nonmotorized trails that serve a regional purpose; and

1867 (iii) the administration of the fund, including staff and overhead costs.

1868 Section 20. Section **72-2-202** is amended to read:

1869 **72-2-202. State Infrastructure Bank Fund -- Creation -- Use of money.**

1870 (1) There is created a revolving loan fund entitled the State Infrastructure Bank Fund.

1871 (2) (a) The fund consists of money generated from the following revenue sources:

1872 (i) appropriations made to the fund by the Legislature;

1873 (ii) federal money and grants that are deposited [in] into the fund;

1874 (iii) money transferred to the fund by the commission from other money available to the
1875 department;

1876 (iv) state grants that are deposited [in] into the fund;

1877 (v) contributions or grants from any other private or public sources for deposit into the
1878 fund; and

1879 (vi) subject to Subsection (2)(b), all money collected from repayments of fund money
1880 used for infrastructure loans or infrastructure assistance.

1881 (b) When a loan from the fund is repaid, the department may request and the Legislature

1882 may transfer from the fund to the source from which the money originated an amount equal to the
1883 repaid loan.

1884 (3) (a) The fund shall earn interest.

1885 (b) All interest earned on fund money shall be deposited into the fund.

1886 (4) Money in the fund shall be used by the department, as prioritized by the commission,
1887 only to:

1888 (a) provide infrastructure loans or infrastructure assistance; and

1889 (b) pay the department for the costs of administering the fund, providing infrastructure
1890 loans or infrastructure assistance, monitoring transportation projects and publicly owned
1891 infrastructure projects, and obtaining repayments of infrastructure loans or infrastructure
1892 assistance.

1893 (5) (a) The department may establish separate accounts in the fund for infrastructure
1894 loans, infrastructure assistance, administrative and operating expenses, or any other purpose to
1895 implement this part.

1896 (b) The department shall establish a separate account in the fund for projects that
1897 support infrastructure development in greenfield or other previously undeveloped or
1898 underdeveloped areas.

1899 ~~(b)~~ (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1900 the department may make rules governing:

1901 (i) how the fund and its accounts may be held by an escrow agent[-]; and

1902 (ii) pertaining to Subsection (5)(b), criteria for ranking projects for eligibility for a loan,
1903 including:

1904 (A) the ability to develop the land absent a loan from the fund;

1905 (B) projects that provide the greatest impact; and

1906 (C) return on investment.

1907 (6) Fund money shall be invested by the state treasurer as provided in Title 51, Chapter
1908 7, State Money Management Act, and the earnings from the investments shall be credited to the
1909 fund.

1910 (7) Before July 1, 2022, the department shall transfer the loan described in Subsection
1911 [63B-27-101\(3\)\(a\)\(i\)](#) from the State Infrastructure Bank Fund to the military development
1912 infrastructure revolving loan fund created in Section [63A-3-402](#).

1913 Section 21. Section **72-5-102** is amended to read:

1914 **72-5-102. Definitions.**

1915 As used in this part, "state transportation purposes" includes:

1916 (1) highway, public transit facility, and transportation rights-of-way, including those
1917 necessary within cities and towns;

1918 (2) the construction, reconstruction, relocation, improvement, maintenance, and
1919 mitigation from the effects of these activities on state highways and other transportation
1920 facilities, including parking facilities, under the control of the department;

1921 (3) limited access facilities, including rights of access, air, light, and view and frontage
1922 and service roads to highways;

1923 (4) adequate drainage in connection with any highway, cut, fill, or channel change and
1924 the maintenance of any highway, cut, fill, or channel change;

1925 (5) weighing stations, shops, offices, storage buildings and yards, and road maintenance
1926 or construction sites;

1927 (6) road material sites, sites for the manufacture of road materials, and access roads to
1928 the sites;

1929 (7) the maintenance of an unobstructed view of any portion of a highway to promote the
1930 safety of the traveling public;

1931 (8) the placement of traffic signals, directional signs, and other signs, fences, curbs,
1932 barriers, and obstructions for the convenience of the traveling public;

1933 (9) the construction and maintenance of storm sewers, sidewalks, and highway
1934 illumination;

1935 (10) the construction and maintenance of livestock highways;

1936 (11) the construction and maintenance of roadside rest areas adjacent to or near any
1937 highway; and

1938 (12) the mitigation of impacts from transportation projects.

1939 Section 22. Section **72-5-114** is amended to read:

1940 **72-5-114. Property acquired in advance of construction -- Lease or rental.**

1941 (1) (a) The department may acquire real property or interests or improvements in real
1942 property in advance of the actual construction, reconstruction, or improvement of highways or
1943 public transit facilities in order to save on acquisition costs or avoid the payment of excessive
1944 damages.

1945 (b) The real property or interests or improvements in real property may be leased or

1946 rented by the department in a manner, for a period of time, and for a sum determined by the
1947 department to be in the best interest of the state.

1948 (2) (a) The department may employ private agencies to manage rental properties when it
1949 is more economical and in the best interests of the state.

1950 (b) All money received for leases and rentals, after deducting any portion to which the
1951 federal government may be entitled, shall be deposited with the state treasurer and credited to
1952 the Transportation Fund.

1953 Section 23. Section 72-6-112.5 is amended to read:

1954 **72-6-112.5. Definitions -- Nighttime highway construction noise -- Exemptions --**
1955 **Permits.**

1956 (1) As used in this section:

1957 (a) "Commuter rail" means the same as that term is defined in Section [63N-3-602](#).

1958 ~~(a)~~ (b) (i) "Front row receptor" means a noise-sensitive residential receptor that is:

1959 (A) immediately adjacent to a transportation facility; or

1960 (B) within 800 feet of a transportation facility that is within a commercial or
1961 industrialized area.

1962 (ii) "Front row receptor" includes a residence that is contiguous to a property
1963 immediately adjacent to a transportation facility in a residential area.

1964 ~~(b)~~ (c) "Nighttime ~~highway~~ construction" means highway or public transit facility
1965 construction occurring between the hours of 10:00 p.m. and 7:00 a.m.

1966 ~~(c)~~ (d) "Nuisance" means the same as that term is defined in Section [78B-6-1101](#).

1967 ~~(d)~~ (e) (i) "Permitted activities" means activities occurring between the hours of 7:00
1968 p.m. and 7:00 a.m. that are related to and necessary for nighttime ~~highway~~ construction,
1969 whether occurring at the construction site or at a gravel pit or other site for production of raw
1970 materials, and includes:

1971 (A) loading and unloading of trucks;

1972 (B) asphalt mixing and hauling; and

1973 (C) concrete mixing and hauling.

1974 (ii) "Permitted activities" does not include:

1975 (A) blasting; or

1976 (B) crushing.

1977 ~~(2) A state highway construction project conducted on a road where the normal posted~~

1978 ~~speed limit is 55 miles per hour or greater is exempt from any noise ordinance, regulation, or~~
1979 ~~standard of a local jurisdictional authority:]~~

1980 (2) The following projects are exempt from any noise ordinance, regulation, or standard
1981 of a local jurisdictional authority:

1982 (a) a state highway construction project conducted on a road where the normal posted
1983 speed limit is 55 miles per hour or greater; or

1984 (b) a commuter rail construction project.

1985 ~~(3) [A state highway construction project conducted on a road where the normal posted~~
1986 ~~speed limit is less than 55 miles per hour is]~~ Except for a project described in Subsection (2), a
1987 state highway or a public transit facility construction project is exempt from any noise ordinance,
1988 regulation, or standard of a local jurisdictional authority if the department:

1989 (a) provides reasonable written notice at least 48 hours in advance of any required
1990 nighttime ~~[highway]~~ construction to each residential dwelling located within front row receptors
1991 of the activity;

1992 (b) determines a net community, including traveler community, benefit exists to conduct
1993 nighttime highway construction after considering the following:

1994 (i) public health;

1995 (ii) project completion time;

1996 (iii) air quality;

1997 (iv) traffic;

1998 (v) economics;

1999 (vi) safety; and

2000 (vii) local jurisdiction concerns; and

2001 (c) institutes best management noise reduction practices, as determined by the
2002 department, for front row receptors, in consultation with local government or the local
2003 jurisdictional authority for all nighttime ~~[highway]~~ construction, which may include:

2004 (i) equipment maintenance;

2005 (ii) noise shielding;

2006 (iii) scheduling the most noise intrusive activities during the day; and

2007 (iv) other noise mitigation methods.

2008 (4) (a) Subject to Subsection (2) or (3), a state highway project or public transit facility
2009 construction shall secure required noise permits from the local jurisdictional authority to conduct

2010 nighttime [highway] construction.

2011 (b) To the extent practical, the department shall coordinate with the local jurisdictional
2012 authority during the pre-construction phase of a project to address noise exemption conditions.

2013 (5) A local jurisdictional authority shall issue a nighttime [highway] construction permit
2014 limited to permitted activities if:

2015 (a) the applicant provides evidence that the permitted activities are directly related to
2016 and necessary for a nighttime [highway] construction project for which the department has
2017 obtained a noise permit from a local jurisdictional authority pursuant to Subsection (4); and

2018 (b) the local jurisdictional authority determines that any nuisance that may be caused by
2019 the nighttime [highway] construction may be reasonably mitigated.

2020 (6) A local jurisdictional authority shall issue a nighttime [highway] construction noise
2021 permit without additional requirements to the department at the request of the department or the
2022 department's designated project agent if the requirements of [~~Subsections (2) and~~] Subsection (2)
2023 or (3) are met.

2024 (7) (a) A local jurisdictional authority may request adjustments to a nighttime [highway
2025]construction permit to mitigate unreasonable noise disturbances caused by nighttime [highway
2026]construction or permitted activities.

2027 (b) If adjustments are requested as described in Subsection (7)(a), the nighttime
2028 [highway] construction permit holder shall use best management noise reduction practices to
2029 mitigate unreasonable noise disturbances.

2030 (8) (a) For the exemption provided in Subsection (3) and in accordance with Title 63G,
2031 Chapter 3, Utah Administrative Rulemaking Act, the department shall make rules establishing
2032 procedures:

2033 (i) for a local jurisdictional authority or local government to appeal the decision of the
2034 department to conduct nighttime [highway] construction [~~on roads where the normal posted
2035 speed limit is less than 55 miles per hour~~]; and

2036 (ii) for the local jurisdictional authority to request that the department enforce the terms
2037 of a noise permit.

2038 (b) After review and upon receiving a written notice from a local jurisdictional
2039 authority that the conditions for the noise exemption permit are not met, the department shall take
2040 corrective action to ensure nighttime [highway] construction activities meet requirements of the
2041 local permit.

2042 Section 24. Section **72-6-116** is amended to read:

2043 **72-6-116. Regulation of utilities -- Relocation of utilities.**

2044 (1) As used in this section:

2045 (a) "Cost of relocation" includes the entire amount paid by the utility company properly
2046 attributable to the relocation of the utility after deducting any increase in the value of the new
2047 utility and any salvage value derived from the old utility.

2048 (b) "Exempt water supplier" means an entity that directly or indirectly supplies at least a
2049 portion of the entity's water for culinary purposes to the public for municipal, domestic, or
2050 industrial use, and is:

2051 (i) a water corporation, as defined in Section [54-2-1](#), that is regulated by the Public
2052 Service Commission; or

2053 (ii) a community water system:

2054 (A) that either supplies water to at least 100 service connections used by year-round
2055 residents, or regularly serves at least 200 year-round residents; and

2056 (B) whose voting members own a share in the community water system, receive water
2057 from the community water system in proportion to the member's share in the community water
2058 system, and pay the rate set by the community water system based on the water the member
2059 receives.

2060 (c) "Utility" includes telecommunication, crude oil, petroleum products, gas, electricity,
2061 cable television, water, sewer, data, and video transmission lines, drainage and irrigation
2062 facilities, and other similar utilities whether public, private, or cooperatively owned.

2063 (d) "Utility company" means a privately, cooperatively, or publicly owned utility,
2064 including utilities owned by political subdivisions.

2065 (2) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
2066 the department may make rules for the installation, construction, maintenance, repair, renewal,
2067 system upgrade, and relocation of all utilities.

2068 (b) If the department determines under the rules established in this section that it is
2069 necessary that any utilities should be relocated, the utility company owning or operating the
2070 utilities shall relocate the utilities in accordance with this section and the order of the
2071 department.

2072 (3) (a) The department shall pay 100% of the cost of relocation of a utility to
2073 accommodate construction of a state highway or public transit facility project, including the

2074 construction of a proposed state highway or public transit facility and the improvement,
2075 widening, or modification of an existing state highway or public transit facility if the:

2076 (i) utility is owned or operated by:

2077 (A) a political subdivision of the state; or

2078 (B) an exempt water supplier;

2079 (ii) utility company owns the easement or fee title to the right-of-way in which the utility
2080 is located; or

2081 (iii) utility is located in a public utility easement as defined in Section [54-3-27](#).

2082 (b) Except as provided in Subsection (3)(a), (c), or (d) or Section [54-21-603](#), the
2083 department shall pay 50% of the cost of relocation of a utility to accommodate construction of a
2084 state highway or public transit facility project, including the construction of a proposed state
2085 highway or public transit facility and the improvement, widening, or modification of an existing
2086 state highway or public transit facility, and the utility company shall pay the remainder of the
2087 cost of relocation.

2088 (c) If the utility described in Subsection (3)(b) is a crude oil or petroleum products
2089 pipeline, unless the utility meets the conditions described in Subsection (3)(a):

2090 (i) the utility company shall pay the lesser of:

2091 (A) 50% of the cost of relocation of the pipeline to accommodate construction of a
2092 proposed state highway or public transit facility and the improvement, widening, and
2093 modification of an existing highway or public transit facility; or

2094 (B) 50% of the cost of any structure or facility necessary to avoid impinging on the
2095 pipeline, and the department shall pay the remainder of the cost of the structure or facility; and

2096 (ii) the department shall pay the remainder of the cost.

2097 (d) This Subsection (3) does not affect the provisions of Subsection [72-7-108\(5\)](#).

2098 (4) If a utility is relocated, the utility company owning or operating the utility, its
2099 successors or assigns, may maintain and operate the utility, with the necessary appurtenances, in
2100 the new location.

2101 (5) In accordance with this section, the cost of relocating a utility in connection with any
2102 project on a highway or public transit facility is a cost of highway or public transit facility
2103 construction.

2104 (6) (a) The department shall notify affected utility companies, in accordance with
2105 Section [54-3-29](#), whenever the relocation of utilities is likely to be necessary because of a

2106 reconstruction project.

2107 (b) The notification shall be made during the preliminary design of the project or as
2108 soon as practical in order to minimize the number, costs, and delays of utility relocations.

2109 (c) A utility company notified under this Subsection (6) shall coordinate and cooperate
2110 with the department and the department's contractor on the utility relocations, including the
2111 scheduling of the utility relocations.

2112 Section 25. Section **72-16-102** is amended to read:

2113 **72-16-102. Definitions.**

2114 As used in this chapter:

2115 (1) "Account" means the Amusement Ride Safety Restricted Account created in Section
2116 [72-16-204](#).

2117 (2) (a) "Amusement park" means a permanent indoor or outdoor facility or park where
2118 one or more amusement rides are available for use by the general public.

2119 (b) "Amusement park" does not include a traveling show, carnival, or public fairground.

2120 (3) (a) "Amusement ride" means a device or combination of devices or elements that
2121 carries or conveys one or more riders along, around, or over a fixed or restricted route or course
2122 or allows the riders to steer or guide the device within an established area for the purpose of
2123 giving the riders amusement, pleasure, thrills, or excitement.

2124 (b) "Amusement ride" does not include:

2125 (i) a coin-operated ride that:

2126 (A) is manually, mechanically, or electrically operated;

2127 (B) is customarily placed in a public location; and

2128 (C) does not normally require the supervision or services of an operator;

2129 (ii) nonmechanized playground equipment, including a swing, seesaw, stationary
2130 spring-mounted animal feature, rider-propelled merry-go-round, climber, playground slide,
2131 trampoline, or physical fitness device;

2132 (iii) an inflatable device;

2133 (iv) a water-based recreational attraction where complete or partial immersion is
2134 intended, including a water slide, wave pool, or water park;

2135 (v) a challenge, exercise, or obstacle course;

2136 (vi) a passenger ropeway as defined in Section [72-11-102](#);

2137 (vii) a device or attraction that involves one or more live animals;

- 2138 (viii) a tractor ride or wagon ride; [or]
2139 (ix) motion seats in a movie theater for which the manufacturer does not require a
2140 restraint[-]; or
2141 (x) a zip line.
2142 (4) "Committee" means the Utah Amusement Ride Safety Committee created in Section
2143 [72-16-201](#).
2144 (5) "Director" means the director of the committee, hired under Section [72-16-202](#).
2145 (6) "Mobile amusement ride" means an amusement ride that is:
2146 (a) designed or adapted to be moved from one location to another;
2147 (b) not fixed at a single location; and
2148 (c) relocated at least once each calendar year.
2149 (7) "Operator" means the individual who controls the starting, stopping, or speed of an
2150 amusement ride.
2151 (8) "Owner-operator" means the person who has control over and responsibility for the
2152 maintenance, setup, and operation of an amusement ride.
2153 (9) "Permanent amusement ride" means an amusement ride that is not a mobile
2154 amusement ride.
2155 (10) "Qualified safety inspector" means an individual who holds a valid qualified safety
2156 inspector certification.
2157 (11) "Qualified safety inspector certification" means a certification issued by the
2158 director under Section [72-16-303](#).
2159 (12) "Reportable serious injury" means an injury to a rider that:
2160 (a) occurs when there is a failure or malfunction of an amusement ride; and
2161 (b) results in death, dismemberment, permanent disfigurement, permanent loss of the use
2162 of a body organ, member, function, or system, or a compound fracture.
2163 (13) "Safety inspection certification" means a written document that:
2164 (a) is signed by a qualified safety inspector certifying that:
2165 (i) the qualified safety inspector performed an in-person inspection of an amusement
2166 ride to check compliance with the safety standards described in Section [72-16-304](#) and
2167 established by rule; and
2168 (ii) at the time the qualified safety inspector performed the in-person inspection, the
2169 amusement ride:

2170 (A) was set up for use by the general public; and

2171 (B) satisfied the safety standards described in Section 72-16-304 and established by
2172 rule; and

2173 (b) includes the date on which the qualified safety inspector performed the in-person
2174 inspection.

2175 (14) "Serious injury" means an injury to a rider that:

2176 (a) occurs when there is a failure or malfunction of an amusement ride; and

2177 (b) requires immediate admission to a hospital and overnight hospitalization and
2178 observation by a licensed physician.

2179 Section 26. **Effective date.**

2180 (1) Except as provided in Subsection (2), this bill takes effect on May 3, 2023.

2181 (2) If approved by two-thirds of all the members elected to each house, the amendments
2182 to Section 72-16-102 in this bill take effect upon approval by the governor, or the day following
2183 the constitutional time limit of Utah Constitution, Article VII, Section 8, without the governor's
2184 signature, or in the case of a veto, the date of veto override.