

1                                   **TRANSPORTATION GOVERNANCE AMENDMENTS**

2   2018 GENERAL SESSION

3   STATE OF UTAH

4                                   **Chief Sponsor: Wayne A. Harper**

5   House Sponsor: Mike Schultz

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7   **LONG TITLE**

8   **Committee Note:**

9           The Transportation Governance and Funding Task Force recommended this bill.

10           Membership:     4 legislators   12 non-legislators

11           Legislative Vote: 4 voting for   0 voting against     0 absent

12   **General Description:**

13           This bill modifies governance of certain public transit districts, amends provisions  
14 related to registration fees, modifies taxes related to transportation, modifies the  
15 governance of the Department of Transportation, and makes other changes.

16   **Highlighted Provisions:**

17           This bill:

- 18           ▶ amends and enacts provisions to allow local jurisdictions to share property tax  
19 revenue for transportation capital development projects;
- 20           ▶ defines "large public transit district" and "small public transit district";
- 21           ▶ modifies the makeup of the board of trustees of a large public transit district by:
- 22               • reducing membership from 16 to three;
- 23               • vesting nomination responsibilities in executives of local governments and  
24 appointment responsibilities in the governor; and
- 25               • defining responsibilities of the members of the board of trustees;
- 26           ▶ creates a local advisory board for a large public transit district and defines the  
27 membership and duties of a local advisory board;



- 28           ▶ requires a large public transit district to transition retirement benefits to fall under
- 29 the provisions and oversight provided in the Utah State Retirement and Insurance
- 30 Benefit Act;
- 31           ▶ exempts certain meetings of members of the board of trustees of a large public
- 32 transit district from the Open and Public Meetings Act;
- 33           ▶ defines "diesel fuel," "electric vehicle," "hybrid electric vehicle," "motor fuel," and
- 34 "natural gas";
- 35           ▶ modifies provisions imposing registration fees on motor vehicles based on the type
- 36 of motor vehicle and fuel used to propel the vehicle;
- 37           ▶ creates the "Public Transportation Capital Investment Fund" within the
- 38 Transportation Investment Fund of 2005;
- 39           ▶ increases the tax on hotel room stays and other accommodations and allocates the
- 40 increased revenue to the Public Transportation Capital Investment Fund;
- 41           ▶ imposes a deadline for a local government to impose certain local option sales and
- 42 use taxes, after which the state imposes the portion of authorized local option sales
- 43 and use taxes still unimposed by the local government;
- 44           ▶ allows a county, city, or town to impose certain local option sales and use taxes
- 45 without submitting the question to the county's, city's, or town's registered voters;
- 46           ▶ modifies certain responsibilities of the Department of Transportation and the
- 47 executive director of the Department of Transportation related to supervision and
- 48 oversight of certain projects and cooperation with other entities involved in a
- 49 project;
- 50           ▶ modifies governance of the Department of Transportation, including:
- 51           • requiring a second deputy director;
- 52           • describing the qualifications for each deputy; and
- 53           • describing the responsibilities of each deputy director;
- 54           ▶ creates the Planning and Investment Division within the Department of
- 55 Transportation;
- 56           ▶ modifies requirements for the Department of Transportation to develop statewide
- 57 strategic initiatives for coordinating and planning multimodal transportation;
- 58           ▶ requires the Department of Transportation to study a road user charge and

- 59 implement a demonstration program;
- 60       ▶ requires the Transportation Commission to include public transit projects in the
- 61 prioritization process to allocate funds;
- 62       ▶ modifies criteria for the Transportation Commission to consider while prioritizing
- 63 transportation and public transit projects;
- 64       ▶ allows corridor preservation funds to be used for public transit district corridors;
- 65 and
- 66       ▶ requires the Department of Transportation to assume responsibilities for review and
- 67 approval of projects under the requirements of the National Environmental Policy
- 68 Act of 1969.

69 **Money Appropriated in this Bill:**

70       None

71 **Other Special Clauses:**

72       This bill provides a special effective date.

73 **Utah Code Sections Affected:**

74 AMENDS:

- 75       **11-13-103**, as last amended by Laws of Utah 2016, Chapter 382
- 76       **11-13-202**, as last amended by Laws of Utah 2009, Chapter 218
- 77       **11-13-206**, as last amended by Laws of Utah 2015, Chapter 265
- 78       **11-13-207**, as last amended by Laws of Utah 2015, Chapter 265
- 79       **17B-1-301**, as last amended by Laws of Utah 2014, Chapter 362
- 80       **17B-1-702**, as renumbered and amended by Laws of Utah 2007, Chapter 329
- 81       **17B-1-703**, as renumbered and amended by Laws of Utah 2007, Chapter 329
- 82       **17B-2a-802**, as last amended by Laws of Utah 2016, Chapter 387
- 83       **17B-2a-804**, as last amended by Laws of Utah 2017, Chapters 181 and 427
- 84       **17B-2a-807**, as last amended by Laws of Utah 2017, Chapter 70
- 85       **17B-2a-808**, as last amended by Laws of Utah 2010, Chapter 281
- 86       **17B-2a-810**, as last amended by Laws of Utah 2016, Chapter 56
- 87       **17B-2a-811**, as last amended by Laws of Utah 2010, Chapter 281
- 88       **17B-2a-826**, as enacted by Laws of Utah 2017, Chapter 427
- 89       **41-1a-102**, as last amended by Laws of Utah 2016, Chapter 40

- 90 [41-1a-1201](#), as last amended by Laws of Utah 2017, Chapters 261 and 406
- 91 [41-1a-1206](#), as last amended by Laws of Utah 2017, Chapters 261, 406 and last
- 92 amended by Coordination Clause, Laws of Utah 2017, Chapter 261
- 93 [52-4-103](#), as last amended by Laws of Utah 2017, Chapters 196, 277, and 441
- 94 [59-12-1201](#), as last amended by Laws of Utah 2016, Chapters 184, 291, and 291
- 95 [59-12-2002](#), as enacted by Laws of Utah 2008, Chapter 286
- 96 [59-12-2003](#), as last amended by Laws of Utah 2017, Chapter 422
- 97 [59-12-2213](#), as last amended by Laws of Utah 2011, Chapter 223
- 98 [59-12-2214](#), as last amended by Laws of Utah 2015, Chapter 421
- 99 [59-12-2215](#), as enacted by Laws of Utah 2010, Chapter 263
- 100 [59-12-2216](#), as enacted by Laws of Utah 2010, Chapter 263
- 101 [59-12-2217](#), as last amended by Laws of Utah 2017, Chapter 240
- 102 [59-12-2218](#), as last amended by Laws of Utah 2017, Chapter 240
- 103 [59-12-2219](#), as last amended by Laws of Utah 2016, Chapter 373
- 104 [59-28-103](#), as enacted by Laws of Utah 2017, Chapter 166
- 105 [63G-6a-1402](#), as last amended by Laws of Utah 2017, Chapter 348
- 106 [72-1-102](#), as last amended by Laws of Utah 2001, Chapter 372
- 107 [72-1-202](#), as last amended by Laws of Utah 2013, Chapter 78
- 108 [72-1-203](#), as last amended by Laws of Utah 2006, Chapter 139
- 109 [72-1-204](#), as last amended by Laws of Utah 2017, Chapter 97
- 110 [72-1-208](#), as last amended by Laws of Utah 2016, Chapter 350
- 111 [72-1-211](#), as last amended by Laws of Utah 2008, Chapter 382
- 112 [72-1-213](#), as enacted by Laws of Utah 2015, Chapter 275
- 113 [72-1-303](#), as last amended by Laws of Utah 2011, Chapter 256
- 114 [72-1-304](#), as last amended by Laws of Utah 2008, Chapter 382
- 115 [72-1-305](#), as last amended by Laws of Utah 2009, Chapter 364
- 116 [72-2-117.5](#), as last amended by Laws of Utah 2017, Chapter 240
- 117 [72-2-121](#), as last amended by Laws of Utah 2017, Chapter 436
- 118 [72-2-121.3](#), as last amended by Laws of Utah 2015, Chapter 421
- 119 [72-2-124](#), as last amended by Laws of Utah 2017, Chapter 436
- 120 [72-5-401](#), as last amended by Laws of Utah 2005, Chapter 254

121 [72-6-120](#), as last amended by Laws of Utah 2015, Chapter 144

122 ENACTS:

123 [11-13-227](#), Utah Code Annotated 1953

124 [17B-2a-807.1](#), Utah Code Annotated 1953

125 [17B-2a-808.1](#), Utah Code Annotated 1953

126 [17B-2a-808.2](#), Utah Code Annotated 1953

127 [17B-2a-811.1](#), Utah Code Annotated 1953

128 [59-12-2003.1](#), Utah Code Annotated 1953

129 REPEALS:

130 [17B-2a-807.5](#), as enacted by Laws of Utah 2009, Chapter 364



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

133 Section 1. Section **11-13-103** is amended to read:

134 **11-13-103. Definitions.**

135 As used in this chapter:

136 (1) (a) "Additional project capacity" means electric generating capacity provided by a  
137 generating unit that first produces electricity on or after May 6, 2002, and that is constructed or  
138 installed at or adjacent to the site of a project that first produced electricity before May 6, 2002,  
139 regardless of whether:

140 (i) the owners of the new generating unit are the same as or different from the owner of  
141 the project; and

142 (ii) the purchasers of electricity from the new generating unit are the same as or  
143 different from the purchasers of electricity from the project.

144 (b) "Additional project capacity" does not mean or include replacement project  
145 capacity.

146 (2) "Board" means the Permanent Community Impact Fund Board created by Section  
147 [35A-8-304](#), and its successors.

148 (3) "Candidate" means one or more of:

149 (a) the state;

150 (b) a county, municipality, school district, local district, special service district, or other  
151 political subdivision of the state; and

152 (c) a prosecution district.

153 (4) "Commercial project entity" means a project entity, defined in Subsection (18),  
154 that:

155 (a) has no taxing authority; and

156 (b) is not supported in whole or in part by and does not expend or disburse tax  
157 revenues.

158 (5) "Direct impacts" means an increase in the need for public facilities or services that  
159 is attributable to the project or facilities providing additional project capacity, except impacts  
160 resulting from the construction or operation of a facility that is:

161 (a) owned by an owner other than the owner of the project or of the facilities providing  
162 additional project capacity; and

163 (b) used to furnish fuel, construction, or operation materials for use in the project.

164 (6) "Electric interlocal entity" means an interlocal entity described in Subsection  
165 [11-13-203](#)(3).

166 (7) "Energy services interlocal entity" means an interlocal entity that is described in  
167 Subsection [11-13-203](#)(4).

168 (8) (a) "Estimated electric requirements," when used with respect to a qualified energy  
169 services interlocal entity, includes any of the following that meets the requirements of  
170 Subsection (8)(b):

171 (i) generation capacity;

172 (ii) generation output; or

173 (iii) an electric energy production facility.

174 (b) An item listed in Subsection (8)(a) is included in "estimated electric requirements"  
175 if it is needed by the qualified energy services interlocal entity to perform the qualified energy  
176 services interlocal entity's contractual or legal obligations to any of its members.

177 (9) (a) "Facilities providing replacement project capacity" means facilities that have  
178 been, are being, or are proposed to be constructed, reconstructed, converted, repowered,  
179 acquired, leased, used, or installed to provide replacement project capacity.

180 (b) "Facilities providing replacement project capacity" includes facilities that have  
181 been, are being, or are proposed to be constructed, reconstructed, converted, repowered,  
182 acquired, leased, used, or installed:

183 (i) to support and facilitate the construction, reconstruction, conversion, repowering,  
184 installation, financing, operation, management, or use of replacement project capacity; or

185 (ii) for the distribution of power generated from existing capacity or replacement  
186 project capacity to facilities located on real property in which the project entity that owns the  
187 project has an ownership, leasehold, right-of-way, or permitted interest.

188 (10) "Governing authority" means a governing board or joint administrator.

189 (11) (a) "Governing board" means the body established in reliance on the authority  
190 provided under Subsection 11-13-206(1)(b) to govern an interlocal entity.

191 (b) "Governing board" includes a board of directors described in an agreement, as  
192 amended, that creates a project entity.

193 (c) "Governing board" does not include a board as defined in Subsection (2).

194 (12) "Interlocal entity" means:

195 (a) a Utah interlocal entity, an electric interlocal entity, or an energy services interlocal  
196 entity; or

197 (b) a separate legal or administrative entity created under Section 11-13-205.

198 (13) "Joint administrator" means an administrator or joint board described in Section  
199 11-13-207 to administer a joint or cooperative undertaking.

200 (14) "Joint or cooperative undertaking" means an undertaking described in Section  
201 11-13-207 that is not conducted by an interlocal entity.

202 (15) "Member" means a public agency that, with another public agency, creates an  
203 interlocal entity under Section 11-13-203.

204 (16) "Out-of-state public agency" means a public agency as defined in Subsection  
205 (19)(c), (d), or (e).

206 (17) (a) "Project":

207 (i) means an electric generation and transmission facility owned by a Utah interlocal  
208 entity or an electric interlocal entity; and

209 (ii) includes fuel or fuel transportation facilities and water facilities owned by that Utah  
210 interlocal entity or electric interlocal entity and required for the generation and transmission  
211 facility.

212 (b) "Project" includes a project entity's ownership interest in:

213 (i) facilities that provide additional project capacity;

214 (ii) facilities providing replacement project capacity; and  
215 (iii) additional generating, transmission, fuel, fuel transportation, water, or other  
216 facilities added to a project.

217 (18) "Project entity" means a Utah interlocal entity or an electric interlocal entity that  
218 owns a project as defined in this section.

219 (19) "Public agency" means:

220 (a) a city, town, county, school district, local district, special service district, an  
221 interlocal entity, or other political subdivision of the state;

222 (b) the state or any department, division, or agency of the state;

223 (c) any agency of the United States;

224 (d) any political subdivision or agency of another state or the District of Columbia  
225 including any interlocal cooperation or joint powers agency formed under the authority of the  
226 law of the other state or the District of Columbia; or

227 (e) any Indian tribe, band, nation, or other organized group or community which is  
228 recognized as eligible for the special programs and services provided by the United States to  
229 Indians because of their status as Indians.

230 (20) "Qualified energy services interlocal entity" means an energy services interlocal  
231 entity that at the time that the energy services interlocal entity acquires its interest in facilities  
232 providing additional project capacity has at least five members that are Utah public agencies.

233 (21) "Replacement project capacity" means electric generating capacity or transmission  
234 capacity that:

235 (a) replaces all or a portion of the existing electric generating or transmission capacity  
236 of a project; and

237 (b) is provided by a facility that is on, adjacent to, in proximity to, or interconnected  
238 with the site of a project, regardless of whether:

239 (i) the capacity replacing existing capacity is less than or exceeds the generating or  
240 transmission capacity of the project existing before installation of the capacity replacing  
241 existing capacity;

242 (ii) the capacity replacing existing capacity is owned by the project entity that is the  
243 owner of the project, a segment established by the project entity, or a person with whom the  
244 project entity or a segment established by the project entity has contracted; or



245 (iii) the facility that provides the capacity replacing existing capacity is constructed,  
 246 reconstructed, converted, repowered, acquired, leased, used, or installed before or after any  
 247 actual or anticipated reduction or modification to existing capacity of the project.

248 (22) "Transportation reinvestment zone" means an area created by two or more public  
 249 agencies by interlocal agreement to capture increased property tax revenue generated by a  
 250 transportation infrastructure project as described in Section [11-13-227](#).

251 [~~(22)~~] (23) "Utah interlocal entity":

252 (a) means an interlocal entity described in Subsection [11-13-203\(2\)](#); and

253 (b) includes a separate legal or administrative entity created under Laws of Utah 1977,  
 254 Chapter 47, Section 3, as amended.

255 [~~(23)~~] (24) "Utah public agency" means a public agency under Subsection (19)(a) or  
 256 (b).

257 Section 2. Section **11-13-202** is amended to read:

258 **11-13-202. Agreements for joint or cooperative undertaking, for providing or**  
 259 **exchanging services, or for law enforcement services -- Effective date of agreement --**  
 260 **Public agencies may restrict their authority or exempt each other regarding permits and**  
 261 **fees.**

262 (1) Any two or more public agencies may enter into an agreement with one another  
 263 under this chapter:

264 (a) for joint or cooperative action;

265 (b) to provide services that they are each authorized by statute to provide;

266 (c) to exchange services that they are each authorized by statute to provide;

267 (d) for a public agency to provide law enforcement services to one or more other public  
 268 agencies, if the public agency providing law enforcement services under the interlocal  
 269 agreement is authorized by law to provide those services, or to provide joint or cooperative law  
 270 enforcement services between or among public agencies that are each authorized by law to  
 271 provide those services; [~~or~~]

272 (e) to create a transportation reinvestment zone as defined in Section [11-13-103](#); or

273 [~~(e)~~] (f) to do anything else that they are each authorized by statute to do.

274 (2) An agreement under Subsection (1) does not take effect until it has been approved,  
 275 as provided in Section [11-13-202.5](#), by each public agency that is a party to it.

276 (3) (a) In an agreement under Subsection (1), a public agency that is a party to the  
277 agreement may agree:

278 (i) to restrict its authority to issue permits to or assess fees from another public agency  
279 that is a party to the agreement; and

280 (ii) to exempt another public agency that is a party to the agreement from permit or fee  
281 requirements.

282 (b) A provision in an agreement under Subsection (1) whereby the parties agree as  
283 provided in Subsection (3)(a) is subject to all remedies provided by law and in the agreement,  
284 including injunction, mandamus, abatement, or other remedy to prevent, enjoin, abate, or  
285 enforce the provision.

286 (4) An interlocal agreement between a county and one or more municipalities for law  
287 enforcement service within an area that includes some or all of the unincorporated area of the  
288 county shall require the law enforcement service provided under the agreement to be provided  
289 by or under the direction of the county sheriff.

290 Section 3. Section **11-13-206** is amended to read:

291 **11-13-206. Requirements for agreements for joint or cooperative action.**

292 (1) Each agreement under Section [11-13-202](#), [11-13-203](#), [or] [11-13-205](#), or [11-13-227](#)  
293 shall specify:

294 (a) its duration;

295 (b) if the agreement creates an interlocal entity:

296 (i) the precise organization, composition, and nature of the interlocal entity;

297 (ii) the powers delegated to the interlocal entity;

298 (iii) the manner in which the interlocal entity is to be governed; and

299 (iv) subject to Subsection (2), the manner in which the members of its governing board  
300 are to be appointed or selected;

301 (c) its purpose or purposes;

302 (d) the manner of financing the joint or cooperative action and of establishing and  
303 maintaining a budget for it;

304 (e) the permissible method or methods to be employed in accomplishing the partial or  
305 complete termination of the agreement and for disposing of property upon such partial or  
306 complete termination;

307 (f) the process, conditions, and terms for withdrawal of a participating public agency  
308 from the interlocal entity or the joint or cooperative undertaking;

309 (g) (i) whether voting is based upon one vote per member or weighted; and

310 (ii) if weighted voting is allowed, the basis upon which the vote weight will be  
311 determined; and

312 (h) any other necessary and proper matters.

313 (2) Each agreement under Section 11-13-203 or 11-13-205 that creates an interlocal  
314 entity shall require that Utah public agencies that are parties to the agreement have the right to  
315 appoint or select members of the interlocal entity's governing board with a majority of the  
316 voting power.

317 Section 4. Section 11-13-207 is amended to read:

318 **11-13-207. Additional requirements for agreement not establishing interlocal**  
319 **entity.**

320 (1) If an agreement under Section 11-13-202 or 11-13-227 does not establish an  
321 interlocal entity to conduct the joint or cooperative undertaking, the agreement shall, in  
322 addition to the items specified in Section 11-13-206, provide for:

323 (a) the joint or cooperative undertaking to be administered by:

324 (i) an administrator; or

325 (ii) a joint board with representation from the public agencies that are parties to the  
326 agreement;

327 (b) the manner of acquiring, holding, and disposing of real and personal property used  
328 in the joint or cooperative undertaking;

329 (c) the functions to be performed by the joint or cooperative undertaking; and

330 (d) the powers of the joint administrator.

331 (2) The creation, operation, governance, and fiscal procedures of a joint or cooperative  
332 undertaking are governed by this chapter.

333 Section 5. Section 11-13-227 is enacted to read:

334 **11-13-227. Transportation reinvestment zones.**

335 (1) Subject to the provisions of this part, any two or more public agencies may enter  
336 into an agreement with one another to create a transportation reinvestment zone as described in  
337 this section.

- 338 (2) To create a transportation reinvestment zone, two or more public agencies shall:
- 339 (a) define the transportation infrastructure need and proposed improvement;
- 340 (b) define the boundaries of the zone;
- 341 (c) establish a base year to calculate the increase of property tax revenue within the
- 342 zone;
- 343 (d) establish terms for sharing any increase in property tax revenue within the zone;

344 and

345 (e) before an agreement is approved as required in Section [11-13-202.5](#), hold a public  
346 hearing regarding the details of the proposed transportation reinvestment zone.

347 (3) Any agreement to establish a transportation reinvestment zone is subject to the  
348 requirements of Sections [11-13-202](#), [11-13-202.5](#), [11-13-206](#), and [11-13-207](#).

349 (4) Each public agency that is party to an agreement under this section shall annually  
350 publish a report including a statement of the increased tax revenue and the expenditures made  
351 in accordance with the agreement.

352 (5) If any surplus revenue remains in a tax revenue account created as part of a  
353 transportation reinvestment zone agreement, the parties may use the surplus for other purposes  
354 as determined by agreement of the parties.

355 Section 6. Section **17B-1-301** is amended to read:

356 **17B-1-301. Board of trustees duties and powers.**

357 (1) (a) Each local district shall be governed by a board of trustees which shall manage  
358 and conduct the business and affairs of the district and shall determine all questions of district  
359 policy.

360 (b) All powers of a local district are exercised through the board of trustees.

361 (2) The board of trustees may:

362 (a) fix the location of the local district's principal place of business and the location of  
363 all offices and departments, if any;

364 (b) fix the times of meetings of the board of trustees;

365 (c) select and use an official district seal;

366 (d) subject to Subsections (3) and (4), employ employees and agents, or delegate to  
367 district officers power to employ employees and agents, for the operation of the local district  
368 and its properties and prescribe or delegate to district officers the power to prescribe the duties,

369 compensation, and terms and conditions of employment of those employees and agents;

370 (e) require district officers and employees charged with the handling of district funds to  
371 provide surety bonds in an amount set by the board or provide a blanket surety bond to cover  
372 officers and employees;

373 (f) contract for or employ professionals to perform work or services for the local  
374 district that cannot satisfactorily be performed by the officers or employees of the district;

375 (g) through counsel, prosecute on behalf of or defend the local district in all court  
376 actions or other proceedings in which the district is a party or is otherwise involved;

377 (h) adopt bylaws for the orderly functioning of the board;

378 (i) adopt and enforce rules and regulations for the orderly operation of the local district  
379 or for carrying out the district's purposes;

380 (j) prescribe a system of civil service for district employees;

381 (k) on behalf of the local district, enter into contracts that the board considers to be for  
382 the benefit of the district;

383 (l) acquire, construct or cause to be constructed, operate, occupy, control, and use  
384 buildings, works, or other facilities for carrying out the purposes of the local district;

385 (m) on behalf of the local district, acquire, use, hold, manage, occupy, and possess  
386 property necessary to carry out the purposes of the district, dispose of property when the board  
387 considers it appropriate, and institute and maintain in the name of the district any action or  
388 proceeding to enforce, maintain, protect, or preserve rights or privileges associated with district  
389 property;

390 (n) delegate to a district officer the exercise of a district duty; and

391 (o) exercise all powers and perform all functions in the operation of the local district  
392 and its properties as are ordinarily exercised by the governing body of a political subdivision of  
393 the state and as are necessary to accomplish the purposes of the district.

394 (3) (a) As used in this Subsection (3), "interim vacancy period" means:

395 (i) if any member of the local district board is elected, the period of time that:

396 (A) begins on the day on which an election is held to elect a local district board  
397 member; and

398 (B) ends on the day on which the local district board member-elect begins the  
399 member's term; or

400 (ii) if any member of the local district board is appointed, the period of time that:  
401 (A) begins on the day on which an appointing authority posts a notice of vacancy in  
402 accordance with Section 17B-1-304; and

403 (B) ends on the day on which the person who is appointed by the local district board to  
404 fill the vacancy begins the person's term.

405 (b) (i) The local district may not hire during an interim vacancy period a manager, a  
406 chief executive officer, a chief administrative officer, an executive director, or a similar  
407 position to perform executive and administrative duties or functions.

408 (ii) Notwithstanding Subsection (3)(b)(i):

409 (A) the local district may hire an interim manager, a chief executive officer, a chief  
410 administrative officer, an executive director, or a similar position during an interim vacancy  
411 period; and

412 (B) the interim manager's, chief executive officer's, chief administrative officer's, or  
413 similar position's employment shall terminate once a new manager, chief executive officer,  
414 chief administrative officer, or similar position is hired by the new local district board after the  
415 interim vacancy period has ended.

416 (c) Subsection (3)(b) does not apply if:

417 (i) all the elected local district board members who held office on the day of the  
418 election for the local district board members, whose term of office was vacant for the election  
419 are re-elected to the local district board; and

420 (ii) all the appointed local district board members who were appointed whose term of  
421 appointment was expiring are re-appointed to the local district board.

422 (4) A local district board that hires an interim manager, a chief executive officer, a  
423 chief administrative officer, an executive director, or a similar position in accordance with this  
424 section may not, on or after May 10, 2011, enter into an employment contract that contains an  
425 automatic renewal provision with the interim manager, chief executive officer, chief  
426 administrative officer, executive director, or similar position.

427 Section 7. Section 17B-1-702 is amended to read:

428 **17B-1-702. Local districts to submit budgets.**

429 (1) (a) Except as provided in Subsection (1)(b), within 30 days after it is approved by  
430 the board, and at least 30 days before the board adopts a final budget, the board of each local

431 district with an annual budget of \$50,000 or more shall send a copy of its tentative budget and  
432 notice of the time and place for its budget hearing to:

433 (i) each of its constituent entities that has in writing requested a copy; and

434 (ii) to each of its customer agencies that has in writing requested a copy.

435 (b) Within 30 days after it is approved by the board, and at least 30 days before the  
436 board adopts a final budget, the board of trustees of a large public transit district [~~servicing a~~  
437 ~~population of more than 200,000 people~~] as defined in Section 17B-2a-802 shall send a copy of  
438 its tentative budget and notice of the time and place for its budget hearing to:

439 (i) each of its constituent entities;

440 (ii) each of its customer agencies that has in writing requested a copy;

441 (iii) the governor; and

442 (iv) the Legislature.

443 (c) The local district shall include with the tentative budget a signature sheet that  
444 includes:

445 (i) language that the constituent entity or customer agency received the tentative budget  
446 and has no objection to it; and

447 (ii) a place for the chairperson or other designee of the constituent entity or customer  
448 agency to sign.

449 (2) Each constituent entity and each customer agency that receives the tentative budget  
450 shall review the tentative budget submitted by the district and either:

451 (a) sign the signature sheet and return it to the district; or

452 (b) attend the budget hearing or other meeting scheduled by the district to discuss the  
453 objections to the proposed budget.

454 (3) (a) If any constituent entity or customer agency that received the tentative budget  
455 has not returned the signature sheet to the local district within 15 calendar days after the  
456 tentative budget was mailed, the local district shall send a written notice of the budget hearing  
457 to each constituent entity or customer agency that did not return a signature sheet and invite  
458 them to attend that hearing.

459 (b) If requested to do so by any constituent entity or customer agency, the local district  
460 shall schedule a meeting to discuss the budget with the constituent entities and customer  
461 agencies.

- 462 (c) At the budget hearing, the local district board shall:
- 463 (i) explain its budget and answer any questions about it;
- 464 (ii) specifically address any questions or objections raised by the constituent entity,
- 465 customer agency, or those attending the meeting; and
- 466 (iii) seek to resolve the objections.
- 467 (4) Nothing in this part prevents a local district board from approving or implementing
- 468 a budget over any or all constituent entity's or customer agency's protests, objections, or failure
- 469 to respond.

470 Section 8. Section **17B-1-703** is amended to read:

471 **17B-1-703. Local districts to submit audit reports.**

472 (1) (a) Except as provided in Subsection (1)(b), within 30 days after it is presented to

473 the board, the board of each local district with an annual budget of \$50,000 or more shall send

474 a copy of any audit report to:

- 475 (i) each of its constituent entities that has in writing requested a copy; and
- 476 (ii) each of its customer agencies that has in writing requested a copy.

477 (b) Within 30 days after it is presented to the board, the board of a large public transit

478 district [~~servicing a population of more than 200,000 people~~] as defined in Section [17B-2a-802](#)

479 shall send a copy of its annual audit report to:

- 480 (i) each of its constituent entities; and
- 481 (ii) each of its customer agencies that has in writing requested a copy.

482 (2) Each constituent entity and each customer agency that received the audit report

483 shall review the audit report submitted by the district and, if necessary, request a meeting with

484 the district board to discuss the audit report.

485 (3) At the meeting, the local district board shall:

- 486 (a) answer any questions about the audit report; and
- 487 (b) discuss their plans to implement suggestions made by the auditor.

488 Section 9. Section **17B-2a-802** is amended to read:

489 **17B-2a-802. Definitions.**

490 As used in this part:

491 (1) "Affordable housing" means housing occupied or reserved for occupancy by

492 households that meet certain gross household income requirements based on the area median



493 income for households of the same size.

494 (a) "Affordable housing" may include housing occupied or reserved for occupancy by  
495 households that meet specific area median income targets or ranges of area median income  
496 targets.

497 (b) "Affordable housing" does not include housing occupied or reserved for occupancy  
498 by households with gross household incomes that are more than 60% of the area median  
499 income for households of the same size.

500 (2) "Appointing entity" means the person, county, unincorporated area of a county, or  
501 municipality appointing a member to a public transit district board of trustees.

502 (3) (a) "Chief executive officer" means a person appointed by the board of trustees of a  
503 small public transit district to serve as chief executive officer.

504 (b) "Chief executive officer" shall enjoy all the rights, duties, and responsibilities  
505 defined in Sections 17B-2a-810 and 17B-2a-811 and includes all rights, duties, and  
506 responsibilities assigned to the general manager but prescribed by the board of trustees to be  
507 fulfilled by the chief executive officer.

508 (4) "Council of governments" means a decision-making body in each county composed  
509 of membership including the county governing body and the mayors of each municipality in the  
510 county.

511 [~~4~~] (5) "Department" means the Department of Transportation created in Section  
512 72-1-201.

513 (6) "Executive director" means a person appointed by the board of trustees of a large  
514 public transit district to serve as executive director.

515 [~~5~~] (7) (a) "General manager" means a person appointed by the board of trustees of a  
516 small public transit district to serve as general manager.

517 (b) "General manager" shall enjoy all the rights, duties, and responsibilities defined in  
518 Sections 17B-2a-810 and 17B-2a-811 prescribed by the board of trustees of a small public  
519 transit district.

520 (8) "Large public transit district" means a public transit district that provides public  
521 transit to an area that includes:

522 (a) more than 65% of the population of the state based on the most recent official  
523 census or census estimate of the United States Census Bureau; and

524 (b) two or more counties.

525 [~~(6)~~] (9) (a) "Locally elected public official" means a person who holds an elected  
526 position with a county or municipality.

527 (b) "Locally elected public official" does not include a person who holds an elected  
528 position if the elected position is not with a county or municipality.

529 [~~(7)~~] (10) "Metropolitan planning organization" means the same as that term is defined  
530 in Section 72-1-208.5.

531 [~~(8)~~] (11) "Multicounty district" means a public transit district located in more than one  
532 county.

533 [~~(9)~~] (12) "Operator" means a public entity or other person engaged in the  
534 transportation of passengers for hire.

535 [~~(10)~~] (13) "Public transit" means the transportation of passengers only and their  
536 incidental baggage by means other than:

537 (a) chartered bus;

538 (b) sightseeing bus; or

539 (c) taxi.

540 (14) "Public transit district" means a local district that provides public transit services.

541 (15) "Small public transit district" means any public transit district that is not a large  
542 public transit district.

543 [~~(11)~~] (16) "Transit facility" means a transit vehicle, transit station, depot, passenger  
544 loading or unloading zone, parking lot, or other facility:

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

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

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

548 (ii) railway line; and

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

551 [~~(14)~~] (17) "Transit vehicle" means a passenger bus, coach, railcar, van, or other  
552 vehicle operated as public transportation by a public transit district.

553 [~~(12)~~] (18) "Transit-oriented development" means a mixed use residential or  
554 commercial area that is designed to maximize access to public transit and includes the

555 development of land owned by a public transit district that serves a county of the first class.

556 ~~[(13)]~~ (19) "Transit-supportive development" means a mixed use residential or  
557 commercial area that is designed to maximize access to public transit and does not include the  
558 development of land owned by a public transit district.

559 Section 10. Section **17B-2a-804** is amended to read:

560 **17B-2a-804. Additional public transit district powers.**

561 (1) In addition to the powers conferred on a public transit district under Section  
562 **17B-1-103**, a public transit district may:

563 (a) provide a public transit system for the transportation of passengers and their  
564 incidental baggage;

565 (b) notwithstanding Subsection **17B-1-103(2)(g)** and subject to Section **17B-2a-817**,  
566 levy and collect property taxes only for the purpose of paying:

567 (i) principal and interest of bonded indebtedness of the public transit district; or

568 (ii) a final judgment against the public transit district if:

569 (A) the amount of the judgment exceeds the amount of any collectable insurance or  
570 indemnity policy; and

571 (B) the district is required by a final court order to levy a tax to pay the judgment;

572 (c) insure against:

573 (i) loss of revenues from damage to or destruction of some or all of a public transit  
574 system from any cause;

575 (ii) public liability;

576 (iii) property damage; or

577 (iv) any other type of event, act, or omission;

578 (d) acquire, contract for, lease, construct, own, operate, control, or use:

579 (i) a right-of-way, rail line, monorail, bus line, station, platform, switchyard, terminal,  
580 parking lot, or any other facility necessary or convenient for public transit service; or

581 (ii) any structure necessary for access by persons and vehicles;

582 (e) (i) hire, lease, or contract for the supplying or management of a facility, operation,  
583 equipment, service, employee, or management staff of an operator; and

584 (ii) provide for a sublease or subcontract by the operator upon terms that are in the  
585 public interest;

586 (f) operate feeder bus lines and other feeder or ridesharing services as necessary;

587 (g) accept a grant, contribution, or loan, directly through the sale of securities or  
588 equipment trust certificates or otherwise, from the United States, or from a department,  
589 instrumentality, or agency of the United States;

590 (h) study and plan transit facilities in accordance with any legislation passed by  
591 Congress;

592 (i) cooperate with and enter into an agreement with the state or an agency of the state  
593 or otherwise contract to finance to establish transit facilities and equipment or to study or plan  
594 transit facilities;

595 (j) subject to Subsection 17B-2a-808.1(4), issue bonds as provided in and subject to  
596 Chapter 1, Part 11, Local District Bonds, to carry out the purposes of the district;

597 (k) from bond proceeds or any other available funds, reimburse the state or an agency  
598 of the state for an advance or contribution from the state or state agency;

599 (l) do anything necessary to avail itself of any aid, assistance, or cooperation available  
600 under federal law, including complying with labor standards and making arrangements for  
601 employees required by the United States or a department, instrumentality, or agency of the  
602 United States;

603 (m) sell or lease property;

604 (n) except as provided in Subsection (2)(b), assist in or operate transit-oriented or  
605 transit-supportive developments;

606 (o) establish, finance, participate as a limited partner or member in a development with  
607 limited liabilities in accordance with Subsection (1)(p), construct, improve, maintain, or  
608 operate transit facilities, equipment, and, in accordance with Subsection (3), transit-oriented  
609 developments or transit-supportive developments; and

610 (p) subject to the restrictions and requirements in Subsections (2) and (3), assist in a  
611 transit-oriented development or a transit-supportive development in connection with project  
612 area development as defined in Section 17C-1-102 by:

613 (i) investing in a project as a limited partner or a member, with limited liabilities; or

614 (ii) subordinating an ownership interest in real property owned by the public transit  
615 district.

616 (2) (a) A public transit district may only assist in the development of areas under

617 Subsection (1)(p):

618 (i) in the manner described in Subsection (1)(p)(i) or (ii); and

619 (ii) on no more than eight transit-oriented developments or transit-supportive  
620 developments selected by the board of trustees.

621 (b) A public transit district may not invest in a transit-oriented development or  
622 transit-supportive development as a limited partner or other limited liability entity under the  
623 provisions of Subsection (1)(p)(i), unless the partners, developer, or other investor in the entity,  
624 makes an equity contribution equal to no less than 25% of the appraised value of the property  
625 to be contributed by the public transit district.

626 (c) (i) For transit-oriented development projects, a public transit district shall adopt  
627 transit-oriented development policies and guidelines that include provisions on affordable  
628 housing.

629 (ii) For transit-supportive development projects, a public transit district shall work with  
630 the metropolitan planning organization and city and county governments where the project is  
631 located to collaboratively seek to create joint plans for the areas within one-half mile of transit  
632 stations, including plans for affordable housing.

633 (d) A current board member of a public transit district to which the board member is  
634 appointed may not have any interest in the transactions engaged in by the public transit district  
635 pursuant to Subsection (1)(p)(i) or (ii), except as may be required by the board member's  
636 fiduciary duty as a board member.

637 (3) For any transit-oriented development or transit-supportive development authorized  
638 in this section, the public transit district shall:

639 (a) perform a cost-benefit analysis of the monetary investment and expenditures of the  
640 development, including effect on:

641 (i) service and ridership;

642 (ii) regional plans made by the metropolitan planning agency;

643 (iii) the local economy;

644 (iv) the environment and air quality;

645 (v) affordable housing; and

646 (vi) integration with other modes of transportation; and

647 (b) provide evidence to the public of a quantifiable positive return on investment,

648 including improvements to public transit service.

649 (4) A public transit district may be funded from any combination of federal, state,  
650 local, or private funds.

651 (5) A public transit district may not acquire property by eminent domain.

652 Section 11. Section 17B-2a-807 is amended to read:

653 **17B-2a-807. Small public transit district board of trustees -- Appointment --**  
654 **Apportionment -- Qualifications -- Quorum -- Compensation -- Terms.**

655 (1) (a) [~~If 200,000 people or fewer reside within the boundaries of a~~] For a small public  
656 transit district, the board of trustees shall consist of members appointed by the legislative  
657 bodies of each municipality, county, or unincorporated area within any county on the basis of  
658 one member for each full unit of regularly scheduled passenger routes proposed to be served by  
659 the district in each municipality or unincorporated area within any county in the following  
660 calendar year.

661 (b) For purposes of determining membership under Subsection (1)(a), the number of  
662 service miles comprising a unit shall be determined jointly by the legislative bodies of the  
663 municipalities or counties comprising the district.

664 (c) The board of trustees of a public transit district under this [~~Subsection (1)~~] section  
665 may include a member that is a commissioner on the Transportation Commission created in  
666 Section 72-1-301 and appointed as provided in Subsection [~~(1)~~] (8), who shall serve as a  
667 nonvoting, ex officio member.

668 (d) Members appointed under this [~~Subsection (1)~~] section shall be appointed and  
669 added to the board or omitted from the board at the time scheduled routes are changed, or as  
670 municipalities, counties, or unincorporated areas of counties annex to or withdraw from the  
671 district using the same appointment procedures.

672 (e) For purposes of appointing members under this [~~Subsection (1)~~] section,  
673 municipalities, counties, and unincorporated areas of counties in which regularly scheduled  
674 passenger routes proposed to be served by the district in the following calendar year is less than  
675 a full unit, as defined in Subsection (1)(b), may combine with any other similarly situated  
676 municipality or unincorporated area to form a whole unit and may appoint one member for  
677 each whole unit formed.

678 [~~(2) (a) Subject to Section 17B-2a-807.5, if more than 200,000 people reside within the~~

679 boundaries of a public transit district, the board of trustees shall consist of:]

680 [~~(i) 11 members;~~]

681 [~~(A) appointed as described under this Subsection (2); or~~]

682 [~~(B) retained in accordance with Section 17B-2a-807.5;~~]

683 [~~(ii) three members appointed as described in Subsection (4);~~]

684 [~~(iii) one voting member appointed as provided in Subsection (11); and~~]

685 [~~(iv) one nonvoting member appointed as provided in Subsection (12);~~]

686 [~~(b) Except as provided in Subsections (2)(c) and (d), the board shall apportion voting~~  
687 ~~members to each county within the district using an average of:]~~

688 [~~(i) the proportion of population included in the district and residing within each~~  
689 ~~county, rounded to the nearest 1/11 of the total transit district population; and]~~

690 [~~(ii) the cumulative proportion of transit sales and use tax collected from areas~~  
691 ~~included in the district and within each county, rounded to the nearest 1/11 of the total~~  
692 ~~cumulative transit sales and use tax collected for the transit district.]~~

693 [~~(c) The board shall join an entire or partial county not apportioned a voting member~~  
694 ~~under this Subsection (2) with an adjacent county for representation. The combined~~  
695 ~~apportionment basis included in the district of both counties shall be used for the~~  
696 ~~apportionment.]~~

697 [~~(d) (i) If rounding to the nearest 1/11 of the total public transit district apportionment~~  
698 ~~basis under Subsection (2)(b) results in an apportionment of more than 11 members, the county~~  
699 ~~or combination of counties with the smallest additional fraction of a whole member proportion~~  
700 ~~shall have one less member apportioned to it.]~~

701 [~~(ii) If rounding to the nearest 1/11 of the total public transit district apportionment~~  
702 ~~basis under Subsection (2)(b) results in an apportionment of less than 11 members, the county~~  
703 ~~or combination of counties with the largest additional fraction of a whole member proportion~~  
704 ~~shall have one more member apportioned to it.]~~

705 [~~(e) If the population of a county is at least 750,000, the county executive, with the~~  
706 ~~advice and consent of the county legislative body, shall appoint one voting member to~~  
707 ~~represent the population of the county.]~~

708 [~~(f) If a municipality's population is at least 160,000, the chief municipal executive,~~  
709 ~~with the advice and consent of the municipal legislative body, shall appoint one voting member~~

710 to represent the population within a municipality.]

711 [~~(g) (i) The number of voting members appointed from a county and municipalities~~  
712 ~~within a county under Subsections (2)(c) and (f) shall be subtracted from the county's total~~  
713 ~~voting member apportionment under this Subsection (2).]~~

714 [~~(ii) Notwithstanding Subsections (2)(l) and (10), no more than one voting member~~  
715 ~~appointed by an appointing entity may be a locally elected public official.]~~

716 [~~(h) If the entire county is within the district, the remaining voting members for the~~  
717 ~~county shall represent the county or combination of counties, if Subsection (2)(c) applies, or~~  
718 ~~the municipalities within the county.]~~

719 [~~(i) If the entire county is not within the district, and the county is not joined with~~  
720 ~~another county under Subsection (2)(c), the remaining voting members for the county shall~~  
721 ~~represent a municipality or combination of municipalities.]~~

722 [~~(j) (i) Except as provided under Subsections (2)(c) and (f), voting members~~  
723 ~~representing counties, combinations of counties if Subsection (2)(c) applies, or municipalities~~  
724 ~~within the county shall be designated and appointed by a simple majority of the chief~~  
725 ~~executives of the municipalities within the county or combinations of counties if Subsection~~  
726 ~~(2)(c) applies.]~~

727 [~~(ii) The appointments shall be made by joint written agreement of the appointing~~  
728 ~~municipalities, with the consent and approval of the county legislative body of the county that~~  
729 ~~has at least 1/11 of the district's apportionment basis.]~~

730 [~~(k) Voting members representing a municipality or combination of municipalities~~  
731 ~~shall be designated and appointed by the chief executive officer of the municipality or simple~~  
732 ~~majority of chief executive officers of municipalities with the consent of the legislative body of~~  
733 ~~the municipality or municipalities.]~~

734 [~~(l) The appointment of members shall be made without regard to partisan political~~  
735 ~~affiliation from among citizens in the community.]~~

736 [~~(m) Each member shall be a bona fide resident of the municipality, county, or~~  
737 ~~unincorporated area or areas which the member is to represent for at least six months before the~~  
738 ~~date of appointment, and shall continue in that residency to remain qualified to serve as a~~  
739 ~~member.]~~

740 [~~(n) (i) All population figures used under this section shall be derived from the most~~



741 ~~recent official census or census estimate of the United States Bureau of the Census.]~~

742 ~~[(ii) If population estimates are not available from the United States Bureau of Census,~~  
743 ~~population figures shall be derived from the estimate from the Utah Population Estimates~~  
744 ~~Committee.]~~

745 ~~[(iii) All transit sales and use tax totals shall be obtained from the State Tax~~  
746 ~~Commission.]~~

747 ~~[(o) (i) The board shall be apportioned as provided under this section in conjunction~~  
748 ~~with the decennial United States Census Bureau report every 10 years.]~~

749 ~~[(ii) Within 120 days following the receipt of the population estimates under this~~  
750 ~~Subsection (2)(o), the district shall reapportion representation on the board of trustees in~~  
751 ~~accordance with this section.]~~

752 ~~[(iii) The board shall adopt by resolution a schedule reflecting the current and proposed~~  
753 ~~apportionment.]~~

754 ~~[(iv) Upon adoption of the resolution, the board shall forward a copy of the resolution~~  
755 ~~to each of its constituent entities as defined under Section [17B-1-701](#).]~~

756 ~~[(v) The appointing entities gaining a new board member shall appoint a new member~~  
757 ~~within 30 days following receipt of the resolution.]~~

758 ~~[(vi) The appointing entities losing a board member shall inform the board of which~~  
759 ~~member currently serving on the board will step down:]~~

760 ~~[(A) upon appointment of a new member under Subsection (2)(o)(v); or]~~

761 ~~[(B) in accordance with Section [17B-2a-807.5](#).]~~

762 ~~[(3)] (2) Upon the completion of an annexation to a public transit district under~~  
763 ~~Chapter 1, Part 4, Annexation, the annexed area shall have a representative on the board of~~  
764 ~~trustees on the same basis as if the area had been included in the district as originally~~  
765 ~~organized.~~

766 ~~[(4) In addition to the voting members appointed in accordance with Subsection (2),~~  
767 ~~the board shall consist of three voting members appointed as follows:]~~

768 ~~[(a) one member appointed by the speaker of the House of Representatives;]~~

769 ~~[(b) one member appointed by the president of the Senate; and]~~

770 ~~[(c) one member appointed by the governor.]~~

771 ~~[(5) Except as provided in Section [17B-2a-807.5](#), the terms of office of the members of~~

772 ~~the board shall be four years or until a successor is appointed, qualified, seated, and has taken~~  
773 ~~the oath of office.]~~

774 ~~[(6)]~~ (3) (a) Vacancies for members shall be filled by the official appointing the  
775 member creating the vacancy for the unexpired term, unless the official fails to fill the vacancy  
776 within 90 days.

777 (b) If the appointing official under Subsection (1) does not fill the vacancy within 90  
778 days, the board of trustees of the authority shall fill the vacancy.

779 ~~[(c) If the appointing official under Subsection (2) does not fill the vacancy within 90~~  
780 ~~days, the governor, with the advice and consent of the Senate, shall fill the vacancy.]~~

781 ~~[(7)]~~ (4) (a) Each voting member may cast one vote on all questions, orders,  
782 resolutions, and ordinances coming before the board of trustees.

783 (b) A majority of all voting members of the board of trustees are a quorum for the  
784 transaction of business.

785 (c) The affirmative vote of a majority of all voting members present at any meeting at  
786 which a quorum was initially present shall be necessary and, except as otherwise provided, is  
787 sufficient to carry any order, resolution, ordinance, or proposition before the board of trustees.

788 ~~[(8)]~~ (5) Each public transit district shall pay to each member per diem and travel  
789 expenses for meetings actually attended, in accordance with Section [11-55-103](#).

790 ~~[(9)]~~ (6) (a) Members of the initial board of trustees shall convene at the time and place  
791 fixed by the chief executive officer of the entity initiating the proceedings.

792 (b) The board of trustees shall elect from its voting membership a chair, vice chair, and  
793 secretary.

794 (c) The members elected under Subsection ~~[(9)]~~ (6)(b) shall serve for a period of two  
795 years or until their successors shall be elected and qualified.

796 (d) On or after January 1, 2011, a locally elected public official is not eligible to serve  
797 as the chair, vice chair, or secretary of the board of trustees.

798 ~~[(10)]~~ (7) (a) Except as otherwise authorized under ~~[Subsections (2)(g) and (10)(b) and~~  
799 ~~Section [17B-2a-807.5](#)]~~ Subsection (7)(b), at the time of a member's appointment or during a  
800 member's tenure in office, a member may not hold any employment, except as an independent  
801 contractor or locally elected public official, with a county or municipality within the district.

802 (b) A member appointed by a county or municipality may hold employment with the

803 county or municipality if the employment is disclosed in writing and the public transit district  
804 board of trustees ratifies the appointment.

805 ~~[(11)]~~ (8) The Transportation Commission created in Section 72-1-301~~[(a) for a~~  
806 ~~public transit district serving a population of 200,000 people or fewer,]~~ may appoint a  
807 commissioner of the Transportation Commission to serve on the board of trustees of a small  
808 public transit district as a nonvoting, ex officio member~~[, and]~~.

809 ~~[(b) for a public transit district serving a population of more than 200,000 people, shall~~  
810 ~~appoint a commissioner of the Transportation Commission to serve on the board of trustees as~~  
811 ~~a voting member.]~~

812 ~~[(12) (a) The board of trustees of a public transit district serving a population of more~~  
813 ~~than 200,000 people shall include a nonvoting member who represents all municipalities and~~  
814 ~~unincorporated areas within the district that are located within a county that is not annexed into~~  
815 ~~the public transit district.]~~

816 ~~[(b) The nonvoting member representing the combination of municipalities and~~  
817 ~~unincorporated areas described in Subsection (12)(a) shall be designated and appointed by a~~  
818 ~~weighted vote of the majority of the chief executive officers of the municipalities described in~~  
819 ~~Subsection (12)(a).]~~

820 ~~[(c) Each municipality's vote under Subsection (12)(b) shall be weighted using the~~  
821 ~~proportion of the public transit district population that resides within that municipality and the~~  
822 ~~adjacent unincorporated areas within the same county.]~~

823 ~~[(13)]~~ (9) (a) (i) Each member of the board of trustees of a public transit district is  
824 subject to recall at any time by the legislative body of the county or municipality from which  
825 the member is appointed.

826 (ii) Each recall of a board of trustees member shall be made in the same manner as the  
827 original appointment.

828 (iii) The legislative body recalling a board of trustees member shall provide written  
829 notice to the member being recalled.

830 (b) Upon providing written notice to the board of trustees, a member of the board may  
831 resign from the board of trustees.

832 (c) ~~[Except as provided in Section 17B-2a-807.5, if]~~ If a board member is recalled or  
833 resigns under this Subsection ~~[(13)]~~ (9), the vacancy shall be filled as provided in Subsection

834 [~~6~~] (3).

835 Section 12. Section **17B-2a-807.1** is enacted to read:

836 **17B-2a-807.1. Large public transit district board of trustees -- Appointment -- --**  
837 **Quorum -- Compensation -- Terms.**

838 (1) (a) For a large public transit district, the board of trustees shall consist of three  
839 members appointed as described in Subsection (1)(b).

840 (b) (i) The governor, with advice and consent of the Senate, shall appoint the members  
841 of the board of trustees, making:

842 (A) one appointment from the nominees described in Subsection (1)(b)(ii);

843 (B) one appointment from the nominees described in Subsection (1)(b)(iii); and

844 (C) one appointment from the nominees described in Subsection (1)(b)(iv).

845 (ii) The chief executive officer of a county of the first class within a large public transit  
846 district, with approval of the legislative body of the county, shall nominate one or more  
847 individuals to the governor for appointment to the board of trustees.

848 (iii) (A) Subject to Subsection (1)(b)(iii)(B), the executive governing individuals or  
849 bodies of a county or counties of the second class, with a population over 500,000, within a  
850 large public transit district, shall nominate one or more individuals to the governor for  
851 appointment to the board of trustees.

852 (B) To select individuals for nomination, the executive governing individuals or bodies  
853 described in Subsection (1)(b)(iii)(A) shall consult with the executive governing individual or  
854 body of a county of the third or smaller class within the large public transit district.

855 (iv) (A) Subject to Subsection (1)(b)(iv)(B), the executive governing individuals or  
856 bodies of any county or counties of the second class, with a population of 500,000 or less,  
857 within a large public transit district, shall jointly nominate one or more individuals to the  
858 governor for appointment to the board of trustees.

859 (B) To select individuals for nomination, the executive governing individuals or bodies  
860 described in Subsection (1)(b)(iv)(A) shall consult with the executive governing individual or  
861 body of a county of the third or smaller class within the large public transit district different  
862 from a third or smaller class county consulting with the county or counties described in  
863 Subsection (1)(b)(iii).

864 (c) Each nominee shall be a qualified executive with technical and administrative

865 experience and training appropriate for the position.

866 (d) The board of trustees of a large public transit district shall be full-time employees  
867 of the public transit district.

868 (e) The compensation package for the board of trustees shall be determined by the local  
869 advisory board as described in Section 17B-2a-808.2.

870 (2) (a) Subject to Subsections (3) and (4), each member of the board of trustees of a  
871 large public transit district shall serve for a term of three years.

872 (b) A member of the board of trustees may serve an unlimited number of terms.

873 (3) Each member of the board of trustees of a large public transit district shall serve at  
874 the pleasure of the governor.

875 (4) The first time the board of trustees is appointed under this section, the governor  
876 shall stagger the initial term of each of the members of the board of trustees as follows:

877 (a) one member of the board of trustees shall serve an initial term of two years;

878 (b) one member of the board of trustees shall serve an initial term of three years; and

879 (c) one member of the board of trustees shall serve an initial term of four years.

880 (5) The governor shall designate one member of the board of trustees as chair of the  
881 board of trustees.

882 (6) (a) If a vacancy occurs, the nomination to replace the individual shall occur in the  
883 same manner described in Subsection (1) for the member creating the vacancy.

884 (b) A replacement board member shall serve for the remainder of the unexpired term,  
885 but may serve an unlimited number of terms as provided in Subsection (2)(b).

886 (c) If the nominating officials under Subsection (1) do not nominate to fill the vacancy  
887 within 60 days, the governor shall appoint an individual to fill the vacancy.

888 (7) For any large public transit district in existence as of May 8, 2018:

889 (a) the individuals or bodies providing nominations as described in this section shall  
890 provide the nominations to the governor as described in this section before July 31, 2018;

891 (b) the governor shall appoint the members of the board of trustees before August 31,  
892 2018; and

893 (c) the new board shall assume control of the large public transit district on or before  
894 November 1, 2018.

895 Section 13. Section **17B-2a-808** is amended to read:

896           **17B-2a-808. Small public transit district board of trustees powers and duties --**  
897 **Adoption of ordinances, resolutions, or orders -- Effective date of ordinances.**

898           (1) The powers and duties of a board of trustees of a small public transit district stated  
899 in this section are in addition to the powers and duties stated in Section [17B-1-301](#).

900           (2) The board of trustees of each small public transit district shall:

901           (a) appoint and fix the salary of a general manager, a chief executive officer, or both, as  
902 provided in Section [17B-2a-811](#);

903           (b) determine the transit facilities that the district should acquire or construct;

904           (c) supervise and regulate each transit facility that the district owns and operates,  
905 including:

906           (i) fixing rates, fares, rentals, and charges and any classifications of rates, fares, rentals,  
907 and charges; and

908           (ii) making and enforcing rules, regulations, contracts, practices, and schedules for or  
909 in connection with a transit facility that the district owns or controls;

910           (d) control the investment of all funds assigned to the district for investment, including  
911 funds:

912           (i) held as part of a district's retirement system; and

913           (ii) invested in accordance with the participating employees' designation or direction  
914 pursuant to an employee deferred compensation plan established and operated in compliance  
915 with Section 457 of the Internal Revenue Code;

916           (e) invest all funds according to the procedures and requirements of Title 51, Chapter  
917 7, State Money Management Act;

918           (f) if a custodian is appointed under Subsection (3)(d), pay the fees for the custodian's  
919 services from the interest earnings of the investment fund for which the custodian is appointed;

920           (g) (i) cause an annual audit of all district books and accounts to be made by an  
921 independent certified public accountant;

922           (ii) as soon as practicable after the close of each fiscal year, submit to the chief  
923 administrative officer and legislative body of each county and municipality with territory  
924 within the district a financial report showing:

925           (A) the result of district operations during the preceding fiscal year; and

926           (B) the district's financial status on the final day of the fiscal year; and

927 (iii) supply copies of the report under Subsection (2)(g)(ii) to the general public upon  
928 request in a quantity that the board considers appropriate;

929 (h) report at least annually to the Transportation Commission created in Section  
930 72-1-301 the district's short-term and long-range public transit plans, including the transit  
931 portions of applicable regional transportation plans adopted by a metropolitan planning  
932 organization established under 23 U.S.C. Sec. 134;

933 (i) direct the internal auditor appointed under Section 17B-2a-810 to conduct audits  
934 that the board of trustees determines to be the most critical to the success of the organization;  
935 and

936 (j) hear audit reports for audits conducted in accordance with Subsection (2)(i).

937 (3) A board of trustees of a public transit district may:

938 (a) subject to Subsection (5), make and pass ordinances, resolutions, and orders that  
939 are:

940 (i) not repugnant to the United States Constitution, the Utah Constitution, or the  
941 provisions of this part; and

942 (ii) necessary for:

943 (A) the government and management of the affairs of the district;

944 (B) the execution of district powers; and

945 (C) carrying into effect the provisions of this part;

946 (b) provide by resolution, under terms and conditions the board considers fit, for the  
947 payment of demands against the district without prior specific approval by the board, if the  
948 payment is:

949 (i) for a purpose for which the expenditure has been previously approved by the board;

950 (ii) in an amount no greater than the amount authorized; and

951 (iii) approved by the general manager or other officer or deputy as the board prescribes;

952 (c) (i) hold public hearings and subpoena witnesses; and

953 (ii) appoint district officers to conduct a hearing and require the officers to make  
954 findings and conclusions and report them to the board; and

955 (d) appoint a custodian for the funds and securities under its control, subject to  
956 Subsection (2)(f).

957 (4) A member of the board of trustees of a public transit district or a hearing officer

958 designated by the board may administer oaths and affirmations in a district investigation or  
959 proceeding.

960 (5) (a) The vote of the board of trustees on each ordinance shall be by roll call vote  
961 with each affirmative and negative vote recorded.

962 (b) (i) Subject to Subsection (5)(b)(ii), the board of trustees may adopt a resolution or  
963 order by voice vote.

964 (ii) The vote of the board of trustees on a resolution or order shall be by roll call vote if  
965 a member of the board so demands.

966 (c) (i) Except as provided in Subsection (5)(c)(ii), the board of trustees of a public  
967 transit district may not adopt an ordinance unless it is:

968 (A) introduced at least a day before the board of trustees adopts it; or

969 (B) mailed by registered mail, postage prepaid, to each member of the board of trustees  
970 at least five days before the day upon which the ordinance is presented for adoption.

971 (ii) Subsection (5)(c)(i) does not apply if the ordinance is adopted by a unanimous vote  
972 of all board members present at a meeting at which at least 3/4 of all board members are  
973 present.

974 (d) Each ordinance adopted by a public transit district's board of trustees shall take  
975 effect upon adoption, unless the ordinance provides otherwise.

976 Section 14. Section **17B-2a-808.1** is enacted to read:

977 **17B-2a-808.1. Large public transit district board of trustees powers and duties --**  
978 **Adoption of ordinances, resolutions, or orders -- Effective date of ordinances.**

979 (1) The powers and duties of a board of trustees of a large public transit district stated  
980 in this section are in addition to the powers and duties stated in Section [17B-1-301](#).

981 (2) The board of trustees of each large public transit district shall:

982 (a) hold public meetings and receive public comment;

983 (b) ensure that the policies, procedures, and management practices established by the  
984 public transit district meet state and federal regulatory requirements and federal grantee  
985 eligibility;

986 (c) create and approve an annual budget, including the issuance of bonds and other  
987 financial instruments, after consultation with the local advisory board;

988 (d) approve any interlocal agreement with a local jurisdiction;



989 (e) in consultation with the local advisory board, approve contracts and overall  
990 property acquisitions and dispositions for transit-oriented development;

991 (f) in consultation with constituent counties, municipalities, metropolitan planning  
992 organizations, and the local advisory board:

993 (i) develop and approve a strategic plan for development and operations on at least a  
994 four-year basis; and

995 (ii) create and pursue funding opportunities for transit capital and service initiatives to  
996 meet anticipated growth within the public transit district;

997 (g) annually report the public transit district's long-term financial plan to the State  
998 Bonding Commission;

999 (h) annually report the public transit district's progress and expenditures related to state  
1000 resources to the Executive Appropriations Committee and the Infrastructure and General  
1001 Government Appropriations Subcommittee;

1002 (i) (A) in partnership with the Department of Transportation, study and evaluate the  
1003 feasibility of a strategic transition of a large public transit district into a state entity; and

1004 (B) in partnership with the Department of Transportation, before November 30 of each  
1005 year, report on the progress of the study to the Transportation Interim Committee and the  
1006 Infrastructure and General Government Appropriations Subcommittee;

1007 (j) hire, set salaries, and develop performance targets and evaluations for the executive  
1008 director, general counsel, and chief internal auditor of the public transit district;

1009 (k) supervise and regulate each transit facility that the public transit district owns and  
1010 operates, including:

1011 (i) fix rates, fares, rentals, charges and any classifications of rates, fares, rentals, and  
1012 charges; and

1013 (ii) make and enforce rules, regulations, contracts, practices, and schedules for or in  
1014 connection with a transit facility that the district owns or controls;

1015 (l) subject to Subsection (4), control the investment of all funds assigned to the district  
1016 for investment, including funds:

1017 (i) held as part of a district's retirement system; and

1018 (ii) invested in accordance with the participating employees' designation or direction  
1019 pursuant to an employee deferred compensation plan established and operated in compliance

1020 with Section 457 of the Internal Revenue Code;

1021 (m) in consultation with the local advisory board created under Section [17B-2a-808.2](#),

1022 invest all funds according to the procedures and requirements of Title 51, Chapter 7, State

1023 Money Management Act;

1024 (n) if a custodian is appointed under Subsection (3)(d), and subject to Subsection (4),

1025 pay the fees for the custodian's services from the interest earnings of the investment fund for

1026 which the custodian is appointed;

1027 (o) (i) cause an annual audit of all public transit district books and accounts to be made

1028 by an independent certified public accountant;

1029 (ii) as soon as practicable after the close of each fiscal year, submit to each of the

1030 councils of governments within the public transit district a financial report showing:

1031 (A) the result of district operations during the preceding fiscal year;

1032 (B) an accounting of the expenditures of all local sales tax revenues generated under

1033 Title 59, Chapter 12, Part 22, Local Option Sales and Use Taxes for Transportation Act; and

1034 (C) the district's financial status on the final day of the fiscal year; and

1035 (iii) supply copies of the report under Subsection (2)(o)(ii) to the general public upon

1036 request;

1037 (p) report at least annually to the Transportation Commission created in Section

1038 [72-1-301](#), which report shall include:

1039 (i) the district's short-term and long-range public transit plans, including the portions of

1040 applicable regional transportation plans adopted by a metropolitan planning organization

1041 established under 23 U.S.C. Sec. 134; and

1042 (ii) any transit capital development projects that the board of trustees would like the

1043 Transportation Commission to consider;

1044 (q) direct the internal auditor appointed under Section [17B-2a-810](#) to conduct audits

1045 that the board of trustees determines, in consultation with the local advisory board created in

1046 Section [17B-2a-808.2](#), to be the most critical to the success of the organization;

1047 (r) together with the local advisory board created in Section [17B-2a-808.2](#), hear audit

1048 reports for audits conducted in accordance with Subsection (2)(o);

1049 (s) negotiate all contracts pertaining to reduced fares, and evaluate existing contracts,

1050 including review of:

1051 (i) how negotiations occurred;  
1052 (ii) the rationale for providing a reduced fare; and  
1053 (iii) identification and evaluation of cost shifts to offset operational costs incurred and  
1054 impacted by each contract offering a reduced fare; and  
1055 (t) in consultation with the local advisory board, develop and approve other board  
1056 policies, ordinances, and bylaws.

1057 (3) A board of trustees of a large public transit district may:  
1058 (a) subject to Subsection (5), make and pass ordinances, resolutions, and orders that  
1059 are:  
1060 (i) not repugnant to the United States Constitution, the Utah Constitution, or the  
1061 provisions of this part; and  
1062 (ii) necessary for:  
1063 (A) the governance and management of the affairs of the district;  
1064 (B) the execution of district powers; and  
1065 (C) carrying into effect the provisions of this part;  
1066 (b) provide by resolution, under terms and conditions the board considers fit, for the  
1067 payment of demands against the district without prior specific approval by the board, if the  
1068 payment is:  
1069 (i) for a purpose for which the expenditure has been previously approved by the board;  
1070 (ii) in an amount no greater than the amount authorized; and  
1071 (iii) approved by the executive director or other officer or deputy as the board  
1072 prescribes;  
1073 (c) in consultation with the local advisory board created in Section [17B-2a-808.2](#):  
1074 (i) hold public hearings and subpoena witnesses; and  
1075 (ii) appoint district officers to conduct a hearing and require the officers to make  
1076 findings and conclusions and report them to the board; and  
1077 (d) appoint a custodian for the funds and securities under its control, subject to  
1078 Subsection (2)(n).

1079 (4) On or before September 30, 2019, the board of trustees of a large public transit  
1080 district shall present a report to the Transportation Interim Committee regarding retirement  
1081 benefits of the district, including:

1082 (a) the feasibility of becoming a participating employer and having retirement benefits  
1083 of eligible employees and officials covered in applicable systems and plans administered under  
1084 Title 49, Utah State Retirement and Insurance Benefit Act;

1085 (b) any legal or contractual restrictions on any employees that are party to a collectively  
1086 bargained retirement plan; and

1087 (c) a comparison of retirement plans offered by the large public transit district and  
1088 similarly situated public employees, including the costs of each plan and the value of the  
1089 benefit offered.

1090 (5) The board of trustees may not issue a bond unless the board of trustees has  
1091 consulted and received approval from the State Bonding Commission created in Section  
1092 [63B-1-201](#).

1093 (6) A member of the board of trustees of a large public transit district or a hearing  
1094 officer designated by the board may administer oaths and affirmations in a district investigation  
1095 or proceeding.

1096 (7) (a) The vote of the board of trustees on each ordinance or resolution shall be by roll  
1097 call vote with each affirmative and negative vote recorded.

1098 (b) The board of trustees of a large public transit district may not adopt an ordinance  
1099 unless it is:

1100 (i) introduced at least a day before the board of trustees adopts it; or

1101 (ii) mailed by registered mail, postage prepaid, to each member of the board of trustees  
1102 at least five days before the day upon which the ordinance is presented for adoption.

1103 (c) Each ordinance adopted by a large public transit district's board of trustees shall  
1104 take effect upon adoption, unless the ordinance provides otherwise.

1105 Section 15. Section **17B-2a-808.2** is enacted to read:

1106 **17B-2a-808.2. Large public transit district local advisory board -- Powers and**  
1107 **duties.**

1108 (1) A large public transit district shall create and consult with a local advisory board.

1109 (2) (a) The local advisory board shall have membership selected as described in  
1110 Subsection (2)(b).

1111 (b) (i) The council of governments of a county of the first class within a large public  
1112 transit district shall appoint three members to the local advisory board.

1113 (ii) The chief executive officer of a city that is the county seat within a county of the  
1114 first class within a large public transit district shall appoint one member to the local advisory  
1115 board.

1116 (iii) The council of governments of a county of the second class with a population of  
1117 500,000 or more within a large public transit district shall appoint two members to the local  
1118 advisory board.

1119 (iv) The council of governments of a county of the second class with a population  
1120 under 500,000 within a large public transit district shall each appoint one member to the local  
1121 advisory board.

1122 (v) The councils of governments of any counties of the third or smaller class or smaller  
1123 within a large public transit district shall jointly appoint one member to the local advisory  
1124 board.

1125 (c) The population numbers used to apportion appointment powers described in  
1126 Subsection (2)(b) shall be based on the most recent official census or census estimate of the  
1127 United States Census Bureau.

1128 (3) The local advisory board shall meet at least quarterly in a meeting open to the  
1129 public for comment to discuss the service, operations, and any concerns with the public transit  
1130 district operations and functionality.

1131 (4) The duties of the local advisory board shall include:

1132 (a) setting the compensation packages of the board of trustees;

1133 (b) reviewing, approving, and recommending final adoption by the board of trustees of  
1134 the large public transit district service plans at least every two and one-half years;

1135 (c) reviewing, approving, and recommending final adoption by the board of trustees of  
1136 project development plans, including funding, of all new capital development projects;

1137 (d) reviewing, approving, and recommending final adoption by the board of trustees of  
1138 any plan for a transit-oriented development where a large public transit district is involved;

1139 (e) at least annually, engaging with the safety and security team of the large public  
1140 transit district to ensure coordination with local municipalities and counties;

1141 (f) assisting with coordinated mobility and constituent services provided by the public  
1142 transit district;

1143 (g) representing and advocating the concerns of citizens within the public transit

1144 district to the board of trustees; and

1145 (h) other duties described in Section 17B-2a-808.1.

1146 (5) The local advisory board shall meet at least quarterly with and consult with the  
1147 board of trustees and advise regarding the operation and management of the public transit  
1148 district.

1149 Section 16. Section **17B-2a-810** is amended to read:

1150 **17B-2a-810. Officers of a public transit district.**

1151 (1) (a) The officers of a public transit district shall consist of:

1152 (i) the members of the board of trustees;

1153 (ii) for a small public transit district, a chair and vice chair, appointed by the board of  
1154 trustees, subject to Subsection (1)(c);

1155 (iii) a secretary, appointed by the board of trustees;

1156 (iv) (A) for a small public transit district, a general manager, appointed by the board of  
1157 trustees as provided in Section 17B-2a-811, whose duties may be allocated by the board of  
1158 trustees, at the board of trustees' discretion, to a chief executive officer, or both; or

1159 (B) for a large public transit district, an executive director appointed by the board of  
1160 trustees as provided in Section 17B-2a-811.1;

1161 (v) for a small public transit district, a chief executive officer appointed by the board of  
1162 trustees, as provided in Section 17B-2a-811;

1163 (vi) a general counsel, appointed by the board of trustees, subject to Subsection (1)(d);

1164 (vii) a treasurer, appointed as provided in Section 17B-1-633;

1165 (viii) a comptroller, appointed by the board of trustees, subject to Subsection (1)(e);

1166 (ix) for a ~~[public transit district with more than 200,000 people residing within the~~  
1167 ~~boundaries of the]~~ large public transit district, an internal auditor, appointed by the board of  
1168 trustees, subject to Subsection (1)(f); and

1169 (x) other officers, assistants, and deputies that the board of trustees considers  
1170 necessary.

1171 (b) The board of trustees of a small public transit district may, at its discretion, appoint  
1172 a president, who shall also be considered an officer of a public transit district.

1173 (c) The district chair and vice chair of a small public transit district shall be members  
1174 of the board of trustees.

1175 (d) The person appointed as general counsel shall:

1176 (i) be admitted to practice law in the state; and

1177 (ii) have been actively engaged in the practice of law for at least seven years next  
1178 preceding the appointment.

1179 (e) The person appointed as comptroller shall have been actively engaged in the  
1180 practice of accounting for at least seven years next preceding the appointment.

1181 (f) The person appointed as internal auditor shall be a licensed certified internal auditor  
1182 or certified public accountant with at least five years experience in the auditing or public  
1183 accounting profession, or the equivalent, prior to appointment.

1184 (2) (a) [~~The~~] For a small public transit district, the district's general manager or chief  
1185 executive officer, as the board prescribes, or for a large public transit district, the executive  
1186 director, shall appoint all officers and employees not specified in Subsection (1).

1187 (b) Each officer and employee appointed by the district's general manager or chief  
1188 executive officer of a small public transit district, or the executive director of a large public  
1189 transit district, serves at the pleasure of the appointing general manager [~~or~~], chief executive  
1190 officer, or executive director.

1191 (3) The board of trustees shall by ordinance or resolution fix the compensation of all  
1192 district officers and employees, except as otherwise provided in this part.

1193 (4) (a) Each officer appointed by the board of trustees or by the district's general  
1194 manager [~~or~~], chief executive officer, or executive director shall take the oath of office  
1195 specified in Utah Constitution, Article IV, Section 10.

1196 (b) Each oath under Subsection (4)(a) shall be subscribed and filed with the district  
1197 secretary no later than 15 days after the commencement of the officer's term of office.

1198 Section 17. Section **17B-2a-811** is amended to read:

1199 **17B-2a-811. General manager or chief executive officer of a small public transit**  
1200 **district.**

1201 (1) (a) The board of trustees of a small public transit district shall appoint a person as a  
1202 general manager.

1203 (b) The board of trustees of a small public transit district may, at its discretion, appoint  
1204 a person as a chief executive officer.

1205 (c) The board of trustees of a small public transit district shall allocate the

1206 responsibilities defined in Subsection (2) between the general manager and the chief executive  
1207 officer, if the board of trustees appoints a chief executive officer.

1208 (d) The chief executive officer shall have the same rights allocated to the general  
1209 manager under Subsections (3) and (4).

1210 (e) The appointment of a general manager, chief executive officer, or both, shall be by  
1211 the affirmative vote of a majority of all members of the board of trustees.

1212 (f) The board's appointment of a person as general manager, chief executive officer, or  
1213 both, shall be based on the person's qualifications, with special reference to the person's actual  
1214 experience in or knowledge of accepted practices with respect to the duties of the office.

1215 (g) A person appointed as general manager or chief executive officer of a small public  
1216 transit district is not required to be a resident of the state at the time of appointment.

1217 (2) A general manager or chief executive officer of a small public transit district shall  
1218 have the following responsibilities as allocated by the board of trustees:

1219 (a) be a full-time officer and devote full time to the district's business;

1220 (b) ensure that all district ordinances are enforced;

1221 (c) prepare and submit to the board of trustees, as soon as practical but not less than 45  
1222 days after the end of each fiscal year, a complete report on the district's finances and  
1223 administrative activities for the preceding year;

1224 (d) keep the board of trustees advised as to the district's needs;

1225 (e) prepare or cause to be prepared all plans and specifications for the construction of  
1226 district works;

1227 (f) cause to be installed and maintained a system of auditing and accounting that  
1228 completely shows the district's financial condition at all times; and

1229 (g) attend meetings of the board of trustees.

1230 (3) A general manager of a small public transit district:

1231 (a) serves at the pleasure of the board of trustees;

1232 (b) holds office for an indefinite term;

1233 (c) may be removed by the board of trustees upon the adoption of a resolution by the  
1234 affirmative vote of a majority of all members of the board, subject to Subsection (5);

1235 (d) has full charge of:

1236 (i) the acquisition, construction, maintenance, and operation of district facilities; and



- 1237 (ii) the administration of the district's business affairs;
- 1238 (e) is entitled to participate in the deliberations of the board of trustees as to any matter
- 1239 before the board; and
- 1240 (f) may not vote at a meeting of the board of trustees.
- 1241 (4) The board of trustees may not reduce the general manager's salary below the
- 1242 amount fixed at the time of original appointment unless:
- 1243 (a) the board adopts a resolution by a vote of a majority of all members; and
- 1244 (b) if the general manager demands in writing, the board gives the general manager the
- 1245 opportunity to be publicly heard at a meeting of the board before the final vote on the
- 1246 resolution reducing the general manager's salary.
- 1247 (5) (a) Before adopting a resolution providing for a general manager's removal as
- 1248 provided in Subsection (3)(c), the board shall, if the manager makes a written demand:
- 1249 (i) give the general manager a written statement of the reasons alleged for the general
- 1250 manager's removal; and
- 1251 (ii) allow the general manager to be publicly heard at a meeting of the board of
- 1252 trustees.
- 1253 (b) Notwithstanding Subsection (5)(a), the board of trustees of a public transit district
- 1254 may suspend a general manager from office pending and during a hearing under Subsection
- 1255 (5)(a)(ii).
- 1256 (6) The action of a board of trustees suspending or removing a general manager or
- 1257 reducing the general manager's salary is final.
- 1258 Section 18. Section **17B-2a-811.1** is enacted to read:
- 1259 **17B-2a-811.1. Executive director of a large public transit district.**
- 1260 (1) (a) The board of trustees of a large public transit district shall appoint a person as
- 1261 an executive director.
- 1262 (b) The appointment of an executive director shall be by the affirmative vote of a
- 1263 majority of the board of trustees.
- 1264 (c) The board's appointment of a person as executive director shall be based on the
- 1265 person's qualifications, with special reference to the person's actual experience in or knowledge
- 1266 of accepted practices with respect to the duties of the office.
- 1267 (d) A person appointed as executive director of a large public transit district is not

1268 required to be a resident of the state at the time of appointment.

1269 (2) An executive director of a large public transit district shall:

1270 (a) be a full-time officer and devote full time to the district's business;

1271 (b) serve at the pleasure of the board of trustees;

1272 (c) hold office for an indefinite term;

1273 (d) ensure that all district ordinances are enforced;

1274 (e) prepare and submit to the board of trustees, as soon as practical but not less than 45

1275 days after the end of each fiscal year, a complete report on the district's finances and

1276 administrative activities for the preceding year;

1277 (f) advise the board of trustees regarding the needs of the district;

1278 (g) in consultation with the board of trustees, prepare or cause to be prepared all plans

1279 and specifications for the construction of district works;

1280 (h) cause to be installed and maintained a system of auditing and accounting that

1281 completely shows the district's financial condition at all times;

1282 (i) attend meetings of the board of trustees;

1283 (j) in consultation with the board of trustees, have charge of:

1284 (i) the acquisition, construction, maintenance, and operation of district facilities; and

1285 (ii) the administration of the district's business affairs; and

1286 (k) be entitled to participate in the deliberations of the board of trustees as to any

1287 matter before the board.

1288 (3) The board of trustees may not remove the executive director or reduce the

1289 executive director's salary below the amount fixed at the time of original appointment unless:

1290 (a) the board adopts a resolution by a vote of a majority of all members; and

1291 (b) if the executive director demands in writing, the board gives the executive director

1292 the opportunity to be publicly heard at a meeting of the board before the final vote on the

1293 resolution removing the executive director or reducing the executive director's salary.

1294 (4) (a) Before adopting a resolution providing for the renewal of the executive director

1295 or a reduction in the executive director's salary as provided in Subsection (3), the board shall, if

1296 the executive director makes a written demand:

1297 (i) give the executive director a written statement of the reasons alleged for the removal

1298 or reduction in salary; and

1299 (ii) allow the executive director to be publicly heard at a meeting of the board of  
1300 trustees.

1301 (b) Notwithstanding Subsection (4)(a), the board of trustees of a public transit district  
1302 may suspend an executive director from office pending and during a hearing under Subsection  
1303 (4)(a)(ii).

1304 (5) The action of a board of trustees suspending or removing an executive director or  
1305 reducing the executive director's salary is final.

1306 Section 19. Section **17B-2a-826** is amended to read:

1307 **17B-2a-826. Public transit district office of constituent services and office of**  
1308 **coordinated mobility.**

1309 (1) (a) The board of trustees of a large public transit district [~~servicing a population over~~  
1310 ~~200,000 people~~] shall create and employ an office of constituent services.

1311 (b) The duties of the office of constituent services described in Subsection (1)(a) shall  
1312 include:

1313 (i) establishing a central call number to hear and respond to complaints, requests,  
1314 comments, concerns, and other communications from customers and citizens within the  
1315 district;

1316 (ii) keeping a log of the complaints, comments, concerns, and other communications  
1317 from customers and citizens within the district; and

1318 (iii) reporting complaints, comments, concerns, and other communications to  
1319 management and to the [~~citizens'~~] local advisory board created in [~~Subsection (2)~~] Section  
1320 17B-2a-808.2.

1321 [~~(2) (a) A public transit district serving a population over 200,000 people shall create~~  
1322 ~~and oversee a citizens' advisory board.~~]

1323 [~~(b) (i) The board of trustees of the public transit district shall select up to 12 members~~  
1324 ~~for the public transit district citizens' advisory board with membership representing the~~  
1325 ~~diversity of the public transit district area.~~]

1326 [~~(ii) The board of trustees shall ensure that each member of the citizens' advisory board~~  
1327 ~~regularly uses the public transit district services.~~]

1328 [~~(c) The public transit district citizens' advisory board shall meet as needed or quarterly~~  
1329 ~~in a meeting open to the public for comment, to discuss the service, operations, and any~~

1330 concerns with the public transit district operations and functionality.]

1331 [~~(d)~~] The public transit district management shall meet at least quarterly with and  
1332 consult with the citizens' advisory board and take into consideration the input of the citizens'  
1333 advisory board in managing and operating the public transit district.]

1334 [~~(3)~~] (2) (a) A large public transit district [~~servicing a population over 200,000 people~~]  
1335 shall create and employ an office of coordinated mobility.

1336 (b) The duties of the office of coordinated mobility shall include:

1337 (i) establishing a central call number to facilitate human services transportation;

1338 (ii) coordinating all human services transportation needs within the public transit  
1339 district;

1340 (iii) receiving requests and other communications regarding human services  
1341 transportation;

1342 (iv) receiving requests and other communications regarding vans, buses, and other  
1343 vehicles available for use from the public transit district to maximize the utility of and  
1344 investment in those vehicles; and

1345 (v) supporting local efforts and applications for additional funding.

1346 Section 20. Section **41-1a-102** is amended to read:

1347 **41-1a-102. Definitions.**

1348 As used in this chapter:

1349 (1) "Actual miles" means the actual distance a vehicle has traveled while in operation.

1350 (2) "Actual weight" means the actual unladen weight of a vehicle or combination of  
1351 vehicles as operated and certified to by a weighmaster.

1352 (3) "All-terrain type I vehicle" [~~has the same meaning provided~~] means the same as that  
1353 term is defined in Section [41-22-2](#).

1354 (4) "All-terrain type II vehicle" [~~has the same meaning provided~~] means the same as  
1355 that term is defined in Section [41-22-2](#).

1356 (5) "Amateur radio operator" means any person licensed by the Federal  
1357 Communications Commission to engage in private and experimental two-way radio operation  
1358 on the amateur band radio frequencies.

1359 (6) "Autocycle" means the same as that term is defined in Section [53-3-102](#).

1360 (7) "Branded title" means a title certificate that is labeled:

1361 (a) rebuilt and restored to operation;

1362 (b) flooded and restored to operation; or

1363 (c) not restored to operation.

1364 (8) "Camper" means any structure designed, used, and maintained primarily to be  
1365 mounted on or affixed to a motor vehicle that contains a floor and is designed to provide a  
1366 mobile dwelling, sleeping place, commercial space, or facilities for human habitation or for  
1367 camping.

1368 (9) "Certificate of title" means a document issued by a jurisdiction to establish a record  
1369 of ownership between an identified owner and the described vehicle, vessel, or outboard motor.

1370 (10) "Certified scale weigh ticket" means a weigh ticket that has been issued by a  
1371 weighmaster.

1372 (11) "Commercial vehicle" means a motor vehicle, trailer, or semitrailer used or  
1373 maintained for the transportation of persons or property that operates:

1374 (a) as a carrier for hire, compensation, or profit; or

1375 (b) as a carrier to transport the vehicle owner's goods or property in furtherance of the  
1376 owner's commercial enterprise.

1377 (12) "Commission" means the State Tax Commission.

1378 (13) "Dealer" means a person engaged or licensed to engage in the business of buying,  
1379 selling, or exchanging new or used vehicles, vessels, or outboard motors either outright or on  
1380 conditional sale, bailment, lease, chattel mortgage, or otherwise or who has an established  
1381 place of business for the sale, lease, trade, or display of vehicles, vessels, or outboard motors.

1382 (14) "Diesel fuel" means the same as that term is defined in [Section 59-13-102](#).

1383 ~~(14)~~ (15) "Division" means the Motor Vehicle Division of the commission, created in  
1384 [Section 41-1a-106](#).

1385 (16) "Electric vehicle" means a motor vehicle that is powered solely by an electric  
1386 motor drawing current from a rechargeable energy storage system.

1387 ~~(15)~~ (17) "Essential parts" means all integral and body parts of a vehicle of a type  
1388 required to be registered in this state, the removal, alteration, or substitution of which would  
1389 tend to conceal the identity of the vehicle or substantially alter its appearance, model, type, or  
1390 mode of operation.

1391 ~~(16)~~ (18) "Farm tractor" means every motor vehicle designed and used primarily as a

1392 farm implement for drawing plows, mowing machines, and other implements of husbandry.

1393 ~~[(17)]~~ (19) (a) "Farm truck" means a truck used by the owner or operator of a farm  
1394 solely for his own use in the transportation of:

1395 (i) farm products, including livestock and its products, poultry and its products,  
1396 floricultural and horticultural products;

1397 (ii) farm supplies, including tile, fence, and every other thing or commodity used in  
1398 agricultural, floricultural, horticultural, livestock, and poultry production; and

1399 (iii) livestock, poultry, and other animals and things used for breeding, feeding, or  
1400 other purposes connected with the operation of a farm.

1401 (b) "Farm truck" does not include the operation of trucks by commercial processors of  
1402 agricultural products.

1403 ~~[(18)]~~ (20) "Fleet" means one or more commercial vehicles.

1404 ~~[(19)]~~ (21) "Foreign vehicle" means a vehicle of a type required to be registered,  
1405 brought into this state from another state, territory, or country other than in the ordinary course  
1406 of business by or through a manufacturer or dealer, and not registered in this state.

1407 ~~[(20)]~~ (22) "Gross laden weight" means the actual weight of a vehicle or combination  
1408 of vehicles, equipped for operation, to which shall be added the maximum load to be carried.

1409 ~~[(21)]~~ (23) "Highway" or "street" means the entire width between property lines of  
1410 every way or place of whatever nature when any part of it is open to the public, as a matter of  
1411 right, for purposes of vehicular traffic.

1412 (24) "Hybrid electric vehicle" means a motor vehicle that draws propulsion energy  
1413 from onboard sources of stored energy that are both:

1414 (a) an internal combustion engine or heat engine using consumable fuel; and

1415 (b) a rechargeable energy storage system where energy for the storage system comes  
1416 solely from sources onboard the vehicle.

1417 ~~[(22)]~~ (25) (a) "Identification number" means the identifying number assigned by the  
1418 manufacturer or by the division for the purpose of identifying the vehicle, vessel, or outboard  
1419 motor.

1420 (b) "Identification number" includes a vehicle identification number, state assigned  
1421 identification number, hull identification number, and motor serial number.

1422 ~~[(23)]~~ (26) "Implement of husbandry" means every vehicle designed or adapted and

1423 used exclusively for an agricultural operation and only incidentally operated or moved upon the  
1424 highways.

1425 ~~[(24)]~~ (27) (a) "In-state miles" means the total number of miles operated in this state  
1426 during the preceding year by fleet power units.

1427 (b) If fleets are composed entirely of trailers or semitrailers, "in-state miles" means the  
1428 total number of miles that those vehicles were towed on Utah highways during the preceding  
1429 year.

1430 ~~[(25)]~~ (28) "Interstate vehicle" means any commercial vehicle operated in more than  
1431 one state, province, territory, or possession of the United States or foreign country.

1432 ~~[(26)]~~ (29) "Jurisdiction" means a state, district, province, political subdivision,  
1433 territory, or possession of the United States or any foreign country.

1434 ~~[(27)]~~ (30) "Lienholder" means a person with a security interest in particular property.

1435 ~~[(28)]~~ (31) "Manufactured home" means a transportable factory built housing unit  
1436 constructed on or after June 15, 1976, according to the Federal Home Construction and Safety  
1437 Standards Act of 1974 (HUD Code), in one or more sections, which, in the traveling mode, is  
1438 eight body feet or more in width or 40 body feet or more in length, or when erected on site, is  
1439 400 or more square feet, and which is built on a permanent chassis and designed to be used as a  
1440 dwelling with or without a permanent foundation when connected to the required utilities, and  
1441 includes the plumbing, heating, air-conditioning, and electrical systems.

1442 ~~[(29)]~~ (32) "Manufacturer" means a person engaged in the business of constructing,  
1443 manufacturing, assembling, producing, or importing new or unused vehicles, vessels, or  
1444 outboard motors for the purpose of sale or trade.

1445 ~~[(30)]~~ (33) "Mobile home" means a transportable factory built housing unit built prior  
1446 to June 15, 1976, in accordance with a state mobile home code which existed prior to the  
1447 Federal Manufactured Housing and Safety Standards Act (HUD Code).

1448 (34) "Motor fuel" means the same as that term is defined in Section [59-13-102](#).

1449 ~~[(33)]~~ (35) (a) "Motor vehicle" means a self-propelled vehicle intended primarily for  
1450 use and operation on the highways.

1451 (b) "Motor vehicle" does not include an off-highway vehicle.

1452 ~~[(31)]~~ (36) "Motorboat" ~~[has the same meaning as provided]~~ means the same as that  
1453 term is defined in Section [73-18-2](#).

1454 [(32)] (37) "Motorcycle" means:

1455 (a) a motor vehicle having a saddle for the use of the rider and designed to travel on not  
1456 more than three wheels in contact with the ground; or

1457 (b) an autocycle.

1458 (38) "Natural gas" means a fuel of which the primary constituent is methane.

1459 [(34)] (39) (a) "Nonresident" means a person who is not a resident of this state as  
1460 defined by Section 41-1a-202, and who does not engage in intrastate business within this state  
1461 and does not operate in that business any motor vehicle, trailer, or semitrailer within this state.

1462 (b) A person who engages in intrastate business within this state and operates in that  
1463 business any motor vehicle, trailer, or semitrailer in this state or who, even though engaging in  
1464 interstate commerce, maintains any vehicle in this state as the home station of that vehicle is  
1465 considered a resident of this state, insofar as that vehicle is concerned in administering this  
1466 chapter.

1467 [(35)] (40) "Odometer" means a device for measuring and recording the actual distance  
1468 a vehicle travels while in operation, but does not include any auxiliary odometer designed to be  
1469 periodically reset.

1470 [(36)] (41) "Off-highway implement of husbandry" [~~has the same meaning as~~  
1471 ~~provided~~] means the same as that term is defined in Section 41-22-2.

1472 [(37)] (42) "Off-highway vehicle" [~~has the same meaning as provided~~] means the same  
1473 as that term is defined in Section 41-22-2.

1474 [(38)] (43) "Operate" means to drive or be in actual physical control of a vehicle or to  
1475 navigate a vessel.

1476 [(39)] (44) "Outboard motor" means a detachable self-contained propulsion unit,  
1477 excluding fuel supply, used to propel a vessel.

1478 [(40)] (45) (a) "Owner" means a person, other than a lienholder, holding title to a  
1479 vehicle, vessel, or outboard motor whether or not the vehicle, vessel, or outboard motor is  
1480 subject to a security interest.

1481 (b) If a vehicle is the subject of an agreement for the conditional sale or installment  
1482 sale or mortgage of the vehicle with the right of purchase upon performance of the conditions  
1483 stated in the agreement and with an immediate right of possession vested in the conditional  
1484 vendee or mortgagor, or if the vehicle is the subject of a security agreement, then the



1485 conditional vendee, mortgagor, or debtor is considered the owner for the purposes of this  
1486 chapter.

1487 (c) If a vehicle is the subject of an agreement to lease, the lessor is considered the  
1488 owner until the lessee exercises his option to purchase the vehicle.

1489 ~~[(41)]~~ (46) "Park model recreational vehicle" means a unit that:

1490 (a) is designed and marketed as temporary living quarters for recreational, camping,  
1491 travel, or seasonal use;

1492 (b) is not permanently affixed to real property for use as a permanent dwelling;

1493 (c) requires a special highway movement permit for transit; and

1494 (d) is built on a single chassis mounted on wheels with a gross trailer area not  
1495 exceeding 400 square feet in the setup mode.

1496 ~~[(42)]~~ (47) "Personalized license plate" means a license plate that has displayed on it a  
1497 combination of letters, numbers, or both as requested by the owner of the vehicle and assigned  
1498 to the vehicle by the division.

1499 ~~[(43)]~~ (48) (a) "Pickup truck" means a two-axle motor vehicle with motive power  
1500 manufactured, remanufactured, or materially altered to provide an open cargo area.

1501 (b) "Pickup truck" includes motor vehicles with the open cargo area covered with a  
1502 camper, camper shell, tarp, removable top, or similar structure.

1503 ~~[(44)]~~ (49) "Pneumatic tire" means every tire in which compressed air is designed to  
1504 support the load.

1505 ~~[(45)]~~ (50) "Preceding year" means a period of 12 consecutive months fixed by the  
1506 division that is within 16 months immediately preceding the commencement of the registration  
1507 or license year in which proportional registration is sought. The division in fixing the period  
1508 shall conform it to the terms, conditions, and requirements of any applicable agreement or  
1509 arrangement for the proportional registration of vehicles.

1510 ~~[(46)]~~ (51) "Public garage" means every building or other place where vehicles or  
1511 vessels are kept and stored and where a charge is made for the storage and keeping of vehicles  
1512 and vessels.

1513 ~~[(47)]~~ (52) "Receipt of surrender of ownership documents" means the receipt of  
1514 surrender of ownership documents described in Section [41-1a-503](#).

1515 ~~[(48)]~~ (53) "Reconstructed vehicle" means every vehicle of a type required to be

1516 registered in this state that is materially altered from its original construction by the removal,  
1517 addition, or substitution of essential parts, new or used.

1518 ~~[(49)]~~ (54) "Recreational vehicle" ~~[has the same meaning as provided]~~ means the same  
1519 as that term is defined in Section 13-14-102.

1520 ~~[(50)]~~ (55) "Registration" means a document issued by a jurisdiction that allows  
1521 operation of a vehicle or vessel on the highways or waters of this state for the time period for  
1522 which the registration is valid and that is evidence of compliance with the registration  
1523 requirements of the jurisdiction.

1524 ~~[(51)]~~ (56) (a) "Registration year" means a 12 consecutive month period commencing  
1525 with the completion of all applicable registration criteria.

1526 (b) For administration of a multistate agreement for proportional registration the  
1527 division may prescribe a different 12-month period.

1528 ~~[(52)]~~ (57) "Repair or replacement" means the restoration of vehicles, vessels, or  
1529 outboard motors to a sound working condition by substituting any inoperative part of the  
1530 vehicle, vessel, or outboard motor, or by correcting the inoperative part.

1531 ~~[(53)]~~ (58) "Replica vehicle" means:

1532 (a) a street rod that meets the requirements under Subsection 41-21-1(3)(a)(i)(B); or

1533 (b) a custom vehicle that meets the requirements under Subsection

1534 41-6a-1507(1)(a)(i)(B).

1535 ~~[(54)]~~ (59) "Road tractor" means every motor vehicle designed and used for drawing  
1536 other vehicles and constructed so it does not carry any load either independently or any part of  
1537 the weight of a vehicle or load that is drawn.

1538 ~~[(55)]~~ (60) "Sailboat" means the same as that term is defined in Section 73-18-2.

1539 ~~[(56)]~~ (61) "Security interest" means an interest that is reserved or created by a security  
1540 agreement to secure the payment or performance of an obligation and that is valid against third  
1541 parties.

1542 ~~[(57)]~~ (62) "Semitrailer" means every vehicle without motive power designed for  
1543 carrying persons or property and for being drawn by a motor vehicle and constructed so that  
1544 some part of its weight and its load rests or is carried by another vehicle.

1545 ~~[(58)]~~ (63) "Special group license plate" means a type of license plate designed for a  
1546 particular group of people or a license plate authorized and issued by the division in accordance

1547 with Section [41-1a-418](#).

1548 ~~[(59)]~~ [\(64\)](#) (a) "Special interest vehicle" means a vehicle used for general  
1549 transportation purposes and that is:

1550 (i) 20 years or older from the current year; or

1551 (ii) a make or model of motor vehicle recognized by the division director as having  
1552 unique interest or historic value.

1553 (b) In making a determination under Subsection ~~[(59)]~~ [\(64\)](#)(a), the division director  
1554 shall give special consideration to:

1555 (i) a make of motor vehicle that is no longer manufactured;

1556 (ii) a make or model of motor vehicle produced in limited or token quantities;

1557 (iii) a make or model of motor vehicle produced as an experimental vehicle or one  
1558 designed exclusively for educational purposes or museum display; or

1559 (iv) a motor vehicle of any age or make that has not been substantially altered or  
1560 modified from original specifications of the manufacturer and because of its significance is  
1561 being collected, preserved, restored, maintained, or operated by a collector or hobbyist as a  
1562 leisure pursuit.

1563 ~~[(60)]~~ [\(65\)](#) (a) "Special mobile equipment" means every vehicle:

1564 (i) not designed or used primarily for the transportation of persons or property;

1565 (ii) not designed to operate in traffic; and

1566 (iii) only incidentally operated or moved over the highways.

1567 (b) "Special mobile equipment" includes:

1568 (i) farm tractors;

1569 (ii) off-road motorized construction or maintenance equipment including backhoes,  
1570 bulldozers, compactors, graders, loaders, road rollers, tractors, and trenchers; and

1571 (iii) ditch-digging apparatus.

1572 (c) "Special mobile equipment" does not include a commercial vehicle as defined  
1573 under Section [72-9-102](#).

1574 ~~[(61)]~~ [\(66\)](#) "Specially constructed vehicle" means every vehicle of a type required to be  
1575 registered in this state, not originally constructed under a distinctive name, make, model, or  
1576 type by a generally recognized manufacturer of vehicles, and not materially altered from its  
1577 original construction.

1578            [~~(62)~~] (67) "Title" means the right to or ownership of a vehicle, vessel, or outboard  
1579 motor.

1580            [~~(63)~~] (68) (a) "Total fleet miles" means the total number of miles operated in all  
1581 jurisdictions during the preceding year by power units.

1582            (b) If fleets are composed entirely of trailers or semitrailers, "total fleet miles" means  
1583 the number of miles that those vehicles were towed on the highways of all jurisdictions during  
1584 the preceding year.

1585            [~~(64)~~] (69) "Trailer" means a vehicle without motive power designed for carrying  
1586 persons or property and for being drawn by a motor vehicle and constructed so that no part of  
1587 its weight rests upon the towing vehicle.

1588            [~~(65)~~] (70) "Transferee" means a person to whom the ownership of property is  
1589 conveyed by sale, gift, or any other means except by the creation of a security interest.

1590            [~~(66)~~] (71) "Transferor" means a person who transfers his ownership in property by  
1591 sale, gift, or any other means except by creation of a security interest.

1592            [~~(67)~~] (72) "Travel trailer," "camping trailer," or "fifth wheel trailer" means a portable  
1593 vehicle without motive power, designed as a temporary dwelling for travel, recreational, or  
1594 vacation use that does not require a special highway movement permit when drawn by a  
1595 self-propelled motor vehicle.

1596            [~~(68)~~] (73) "Truck tractor" means a motor vehicle designed and used primarily for  
1597 drawing other vehicles and not constructed to carry a load other than a part of the weight of the  
1598 vehicle and load that is drawn.

1599            [~~(69)~~] (74) "Vehicle" includes a motor vehicle, trailer, semitrailer, off-highway vehicle,  
1600 camper, park model recreational vehicle, manufactured home, and mobile home.

1601            [~~(70)~~] (75) "Vessel" means the same as that term is defined in Section 73-18-2.

1602            [~~(71)~~] (76) "Vintage vehicle" means the same as that term is defined in Section  
1603 41-21-1.

1604            [~~(72)~~] (77) "Waters of this state" means the same as that term is defined in Section  
1605 73-18-2.

1606            [~~(73)~~] (78) "Weighmaster" means a person, association of persons, or corporation  
1607 permitted to weigh vehicles under this chapter.

1608            Section 21. Section **41-1a-1201** is amended to read:

1609 **41-1a-1201. Disposition of fees.**

1610 (1) All fees received and collected under this part shall be transmitted daily to the state  
1611 treasurer.

1612 (2) Except as provided in Subsections (3), (6), (7), (8), and (9) and Sections 41-1a-422,  
1613 41-1a-1220, 41-1a-1221, and 41-1a-1223 all fees collected under this part shall be deposited in  
1614 the Transportation Fund.

1615 (3) Funds generated under Subsections 41-1a-1211(1)(b)(ii), (6)(b)(ii), and (7) and  
1616 Section 41-1a-1212 may be used by the commission to cover the costs incurred in issuing  
1617 license plates under Part 4, License Plates and Registration Indicia.

1618 (4) In accordance with Section 63J-1-602.2, all funds available to the commission for  
1619 the purchase and distribution of license plates and decals are nonlapsing.

1620 (5) (a) Except as provided in Subsections (3) and (5)(b) and Section 41-1a-1205, the  
1621 expenses of the commission in enforcing and administering this part shall be provided for by  
1622 legislative appropriation from the revenues of the Transportation Fund.

1623 (b) Three dollars of the registration fees imposed under Subsections 41-1a-1206(2)(a)  
1624 and (b) for each vehicle registered for a six-month registration period under Section  
1625 41-1a-215.5 may be used by the commission to cover the costs incurred in enforcing and  
1626 administering this part.

1627 (6) (a) The following portions of the registration fees imposed under Section  
1628 41-1a-1206 for each vehicle shall be deposited in the Transportation Investment Fund of 2005  
1629 created under Section 72-2-124:

1630 (i) \$30 of the registration fees imposed under Subsections 41-1a-1206(1)(a), (1)(b)[;](i)  
1631 through (viii), (1)(f), [~~(3)~~, and ~~(6)~~] (4), and (7);

1632 (ii) \$21 of the registration fees imposed under Subsections 41-1a-1206(1)(c)(i) and  
1633 (1)(c)(ii);

1634 (iii) \$2.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(ii);

1635 (iv) \$23 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(i);

1636 (v) \$24.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(i); and

1637 (vi) \$1 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(ii).

1638 (b) The following portions of the registration fees collected for each vehicle registered  
1639 for a six-month registration period under Section 41-1a-215.5 shall be deposited in the

1640 Transportation Investment Fund of 2005 created by Section 72-2-124:

1641 (i) \$23.25 of [~~each~~] the registration fee collected under Subsection 41-1a-1206(2)(a);  
1642 and

1643 (ii) \$23 of [~~each~~] the registration fee [~~collected under Subsection~~] imposed under  
1644 Subsections 41-1a-1206(2)(b)(i) through (viii).

1645 (7) (a) Ninety-four cents of each registration fee imposed under Subsections  
1646 41-1a-1206(1)(a) and (b) for each vehicle shall be deposited in the Public Safety Restricted  
1647 Account created in Section 53-3-106.

1648 (b) Seventy-one cents of each registration fee imposed under Subsections  
1649 41-1a-1206(2)(a) and (b) for each vehicle registered for a six-month registration period under  
1650 Section 41-1a-215.5 shall be deposited in the Public Safety Restricted Account created in  
1651 Section 53-3-106.

1652 (8) (a) One dollar of each registration fee imposed under Subsections 41-1a-1206(1)(a)  
1653 and (b) for each vehicle shall be deposited into the Motor Vehicle Safety Impact Restricted  
1654 Account created in Section 53-8-214.

1655 (b) One dollar of each registration fee imposed under Subsections 41-1a-1206(2)(a)  
1656 and (b) for each vehicle registered for a six-month registration period under Section  
1657 41-1a-215.5 shall be deposited into the Motor Vehicle Safety Impact Restricted Account  
1658 created in Section 53-8-214.

1659 (9) Fifty cents of each registration fee imposed under Subsection 41-1a-1206(1)(a) for  
1660 each motorcycle shall be deposited in the Spinal Cord and Brain Injury Rehabilitation Fund  
1661 created in Section 26-54-102.

1662 Section 22. Section 41-1a-1206 is amended to read:

1663 **41-1a-1206. Registration fees -- Fees by gross laden weight.**

1664 (1) Except as provided in Subsections (2) and [~~(3)~~] (4), and subject to Subsection (3),  
1665 at the time application is made for registration or renewal of registration of a vehicle or  
1666 combination of vehicles under this chapter, a registration fee shall be paid to the division as  
1667 follows:

1668 (a) \$46.00 for each motorcycle;

1669 (b) [~~\$44~~] for each motor vehicle of 12,000 pounds or less gross laden weight, excluding  
1670 motorcycles[;]:

- 1671 (i) \$44 for each motor vehicle fueled by motor fuel;  
 1672 (ii) \$44 for each motor vehicle fueled by diesel fuel;  
 1673 (iii) \$44 for each motor vehicle registered under Section [41-1a-301](#);  
 1674 (iv) \$44 for each motor vehicle fueled by natural gas;  
 1675 (v) \$194 for each electric motor vehicle;  
 1676 (vi) \$65 for each hybrid electric motor vehicle;  
 1677 (vii) \$44 for each motor vehicle fueled by propane; and  
 1678 (viii) \$194 for each motor vehicle not described in Subsections (1)(b)(i) through (vii);  
 1679 (c) unless the semitrailer or trailer is exempt from registration under Section [41-1a-202](#)  
 1680 or is registered under Section [41-1a-301](#):
- 1681 (i) \$31 for each trailer or semitrailer over 750 pounds gross unladen weight; or  
 1682 (ii) \$28.50 for each commercial trailer or commercial semitrailer of 750 pounds or less  
 1683 gross unladen weight;
- 1684 (d) (i) \$53 for each farm truck over 12,000 pounds, but not exceeding 14,000 pounds  
 1685 gross laden weight; plus  
 1686 (ii) \$9 for each 2,000 pounds over 14,000 pounds gross laden weight;
- 1687 (e) (i) \$69.50 for each motor vehicle or combination of motor vehicles, excluding farm  
 1688 trucks, over 12,000 pounds, but not exceeding 14,000 pounds gross laden weight; plus  
 1689 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;
- 1690 (f) (i) \$69.50 for each park model recreational vehicle over 12,000 pounds, but not  
 1691 exceeding 14,000 pounds gross laden weight; plus  
 1692 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight; and  
 1693 (g) \$45 for each vintage vehicle that is less than 40 years old.
- 1694 (2) At the time application is made for registration or renewal of registration of a  
 1695 vehicle under this chapter for a six-month registration period under Section [41-1a-215.5](#), a  
 1696 registration fee shall be paid to the division as follows:
- 1697 (a) \$34.50 for each motorcycle; and  
 1698 (b) [~~\$33.50~~] for each motor vehicle of 12,000 pounds or less gross laden weight,  
 1699 excluding motorcycles[-];
- 1700 (i) \$33.50 for each motor vehicle fueled by motor fuel;  
 1701 (ii) \$33.50 for each motor vehicle fueled by diesel fuel;

- 1702 (iii) \$33.50 for each motor vehicle registered under Section [41-1a-301](#);
- 1703 (iv) \$33.50 for each motor vehicle fueled by natural gas;
- 1704 (v) \$147.75 for each electric motor vehicle;
- 1705 (vi) \$49.50 for each hybrid electric motor vehicle;
- 1706 (vii) \$33.50 for each motor vehicle fueled by propane; and
- 1707 (viii) \$147.75 for each motor vehicle not described in Subsections (2)(b)(i) through
- 1708 (vii).

1709 (3) (a) Beginning on January 1, 2019, the commission shall, on January 1, annually  
1710 adjust the registration fee for each motor vehicle of 12,000 pounds or less gross laden weight,  
1711 excluding motorcycles, by taking the registration fee rate for the previous year and adding an  
1712 amount equal to the greater of:

- 1713 (i) an amount calculated by multiplying the registration fee of the previous year by the
- 1714 actual percentage change during the previous fiscal year in the Consumer Price Index; and
- 1715 (ii) 0.

1716 (b) The amount calculated as described in Subsection (3)(a) shall be rounded up to the  
1717 nearest quarter.

1718 ~~[(3)]~~ (4) (a) The initial registration fee for a vintage vehicle that is 40 years old or older  
1719 is \$40.

1720 (b) A vintage vehicle that is 40 years old or older is exempt from the renewal of  
1721 registration fees under Subsection (1).

1722 (c) A vehicle with a Purple Heart special group license plate issued in accordance with  
1723 Section [41-1a-421](#) is exempt from the registration fees under Subsection (1).

1724 (d) A camper is exempt from the registration fees under Subsection (1).

1725 ~~[(4)]~~ (5) If a motor vehicle is operated in combination with a semitrailer or trailer, each  
1726 motor vehicle shall register for the total gross laden weight of all units of the combination if the  
1727 total gross laden weight of the combination exceeds 12,000 pounds.

1728 ~~[(5)]~~ (6) (a) Registration fee categories under this section are based on the gross laden  
1729 weight declared in the licensee's application for registration.

1730 (b) Gross laden weight shall be computed in units of 2,000 pounds. A fractional part  
1731 of 2,000 pounds is a full unit.

1732 ~~[(6)]~~ (7) The owner of a commercial trailer or commercial semitrailer may, as an



1733 alternative to registering under Subsection (1)(c), apply for and obtain a special registration and  
1734 license plate for a fee of \$130.

1735 ~~[(7)]~~ (8) Except as provided in Section 41-6a-1642, a truck may not be registered as a  
1736 farm truck unless:

1737 (a) the truck meets the definition of a farm truck under Section 41-1a-102; and  
1738 (b) (i) the truck has a gross vehicle weight rating of more than 12,000 pounds; or  
1739 (ii) the truck has a gross vehicle weight rating of 12,000 pounds or less and the owner  
1740 submits to the division a certificate of emissions inspection or a waiver in compliance with  
1741 Section 41-6a-1642.

1742 ~~[(8)]~~ (9) A violation of Subsection ~~[(7)]~~ (8) is an infraction that shall be punished by a  
1743 fine of not less than \$200.

1744 ~~[(9)]~~ (10) Trucks used exclusively to pump cement, bore wells, or perform crane  
1745 services with a crane lift capacity of five or more tons, are exempt from 50% of the amount of  
1746 the fees required for those vehicles under this section.

1747 Section 23. Section 52-4-103 is amended to read:

1748 **52-4-103. Definitions.**

1749 As used in this chapter:

1750 (1) "Anchor location" means the physical location from which:

1751 (a) an electronic meeting originates; or

1752 (b) the participants are connected.

1753 (2) "Capitol hill complex" means the grounds and buildings within the area bounded by  
1754 300 North Street, Columbus Street, 500 North Street, and East Capitol Boulevard in Salt Lake  
1755 City.

1756 (3) (a) "Convening" means the calling together of a public body by a person authorized  
1757 to do so for the express purpose of discussing or acting upon a subject over which that public  
1758 body has jurisdiction or advisory power.

1759 (b) "Convening" does not include the initiation of a routine conversation between  
1760 members of a three-member public body if the members involved in the conversation do not,  
1761 during the conversation, take a tentative or final vote on the matter that is the subject of the  
1762 conversation.

1763 (4) "Electronic meeting" means a public meeting convened or conducted by means of a

1764 conference using electronic communications.

1765 (5) "Electronic message" means a communication transmitted electronically, including:

1766 (a) electronic mail;

1767 (b) instant messaging;

1768 (c) electronic chat;

1769 (d) text messaging as defined in Section 76-4-401; or

1770 (e) any other method that conveys a message or facilitates communication

1771 electronically.

1772 (6) (a) "Meeting" means the convening of a public body or a specified body, with a  
1773 quorum present, including a workshop or an executive session, whether in person or by means  
1774 of electronic communications, for the purpose of discussing, receiving comments from the  
1775 public about, or acting upon a matter over which the public body or specific body has  
1776 jurisdiction or advisory power.

1777 (b) "Meeting" does not mean:

1778 (i) a chance gathering or social gathering; ~~or~~

1779 (ii) a convening of the State Tax Commission to consider a confidential tax matter in  
1780 accordance with Section 59-1-405[-]; or

1781 (iii) a convening of a three-member board of trustees of a large public transit district as  
1782 defined in Section 17B-2a-802 if:

1783 (A) the board members do not, during the conversation, take a tentative or final vote on  
1784 the matter that is the subject of the conversation; or

1785 (B) the conversation pertains only to day-to-day management and operation of the  
1786 public transit district.

1787 (c) "Meeting" does not mean the convening of a public body that has both legislative  
1788 and executive responsibilities if:

1789 (i) no public funds are appropriated for expenditure during the time the public body is  
1790 convened; and

1791 (ii) the public body is convened solely for the discussion or implementation of  
1792 administrative or operational matters:

1793 (A) for which no formal action by the public body is required; or

1794 (B) that would not come before the public body for discussion or action.

1795 (7) "Monitor" means to hear or observe, live, by audio or video equipment, all of the  
1796 public statements of each member of the public body who is participating in a meeting.

1797 (8) "Participate" means the ability to communicate with all of the members of a public  
1798 body, either verbally or electronically, so that each member of the public body can hear or  
1799 observe the communication.

1800 (9) (a) "Public body" means:

1801 (i) any administrative, advisory, executive, or legislative body of the state or its  
1802 political subdivisions that:

1803 (A) is created by the Utah Constitution, statute, rule, ordinance, or resolution;

1804 (B) consists of two or more persons;

1805 (C) expends, disburses, or is supported in whole or in part by tax revenue; and

1806 (D) is vested with the authority to make decisions regarding the public's business; or

1807 (ii) any administrative, advisory, executive, or policymaking body of an association, as  
1808 defined in Section [53A-1-1601](#), that:

1809 (A) consists of two or more persons;

1810 (B) expends, disburses, or is supported in whole or in part by dues paid by a public

1811 school or whose employees participate in a benefit or program described in Title 49, Utah State

1812 Retirement and Insurance Benefit Act; and

1813 (C) is vested with authority to make decisions regarding the participation of a public

1814 school or student in an interscholastic activity as defined in Section [53A-1-1601](#).

1815 (b) "Public body" includes:

1816 (i) as defined in Section [11-13-103](#), an interlocal entity or joint or cooperative  
1817 undertaking; and

1818 (ii) as defined in Section [11-13a-102](#), a governmental nonprofit corporation.

1819 (c) "Public body" does not include:

1820 (i) a political party, a political group, or a political caucus;

1821 (ii) a conference committee, a rules committee, or a sifting committee of the

1822 Legislature;

1823 (iii) a school community council or charter trust land council as defined in Section

1824 [53A-1a-108.1](#); or

1825 (iv) the Economic Development Legislative Liaison Committee created in Section

1826 36-30-201.

1827 (10) "Public statement" means a statement made in the ordinary course of business of  
1828 the public body with the intent that all other members of the public body receive it.

1829 (11) (a) "Quorum" means a simple majority of the membership of a public body, unless  
1830 otherwise defined by applicable law.

1831 (b) "Quorum" does not include a meeting of two elected officials by themselves when  
1832 no action, either formal or informal, is taken on a subject over which these elected officials  
1833 have advisory power.

1834 (12) "Recording" means an audio, or an audio and video, record of the proceedings of a  
1835 meeting that can be used to review the proceedings of the meeting.

1836 (13) "Specified body":

1837 (a) means an administrative, advisory, executive, or legislative body that:

1838 (i) is not a public body;

1839 (ii) consists of three or more members; and

1840 (iii) includes at least one member who is:

1841 (A) a legislator; and

1842 (B) officially appointed to the body by the president of the Senate, speaker of the  
1843 House of Representatives, or governor; and

1844 (b) does not include a body listed in Subsection (9)(c)(ii).

1845 (14) "Transmit" means to send, convey, or communicate an electronic message by  
1846 electronic means.

1847 Section 24. Section **59-12-1201** is amended to read:

1848 **59-12-1201. Motor vehicle rental tax -- Rate -- Exemptions -- Administration,**  
1849 **collection, and enforcement of tax -- Administrative charge -- Deposits.**

1850 (1) (a) Except as provided in Subsection (3), there is imposed a tax of [~~2.5%~~] 5% on all  
1851 short-term leases and rentals of motor vehicles not exceeding 30 days.

1852 (b) The tax imposed in this section is in addition to all other state, county, or municipal  
1853 fees and taxes imposed on rentals of motor vehicles.

1854 (2) (a) Subject to Subsection (2)(b), a tax rate repeal or tax rate change for the tax  
1855 imposed under Subsection (1) shall take effect on the first day of a calendar quarter.

1856 (b) (i) For a transaction subject to a tax under Subsection (1), a tax rate increase shall

1857 take effect on the first day of the first billing period:

1858 (A) that begins after the effective date of the tax rate increase; and

1859 (B) if the billing period for the transaction begins before the effective date of a tax rate

1860 increase imposed under Subsection (1).

1861 (ii) For a transaction subject to a tax under Subsection (1), the repeal of a tax or a tax

1862 rate decrease shall take effect on the first day of the last billing period:

1863 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;

1864 and

1865 (B) if the billing period for the transaction begins before the effective date of the repeal

1866 of the tax or the tax rate decrease imposed under Subsection (1).

1867 (3) A motor vehicle is exempt from the tax imposed under Subsection (1) if:

1868 (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;

1869 (b) the motor vehicle is rented as a personal household goods moving van; or

1870 (c) the lease or rental of the motor vehicle is made for the purpose of temporarily

1871 replacing a person's motor vehicle that is being repaired pursuant to a repair agreement or an

1872 insurance agreement.

1873 (4) (a) (i) The tax authorized under this section shall be administered, collected, and

1874 enforced in accordance with:

1875 (A) the same procedures used to administer, collect, and enforce the tax under Part 1,

1876 Tax Collection; and

1877 (B) Chapter 1, General Taxation Policies.

1878 (ii) Notwithstanding Subsection (4)(a)(i), a tax under this part is not subject to

1879 Subsections [59-12-103](#)(4) through (10) or Section [59-12-107.1](#) or [59-12-123](#).

1880 (b) The commission shall retain and deposit an administrative charge in accordance

1881 with Section [59-1-306](#) from the revenues the commission collects from a tax under this part.

1882 (c) Except as provided under Subsection (4)(b), all revenue received by the

1883 commission under this section shall be deposited daily with the state treasurer and credited

1884 monthly as follows:

1885 (i) 50% to the Marda Dillree Corridor Preservation Fund under Section [72-2-117](#)[.];

1886 and

1887 (ii) 50% to the Public Transportation Capital Investment Fund created in Section

1888 [72-2-124.](#)

1889 Section 25. Section **59-12-2002** is amended to read:

1890 **59-12-2002. Definitions.**

1891 As used in this part[, "~~public transit district~~" means a public transit district organized  
1892 under Title 17B, Chapter 2a, Part 8, Public Transit District Act.]:

1893 (1) "Large public transit district" means the same as that term is defined in Section  
1894 [17B-2a-802.](#)

1895 (2) "Public transit district" means the same as that term is defined in Section  
1896 [17B-2a-802.](#)

1897 Section 26. Section **59-12-2003** is amended to read:

1898 **59-12-2003. Imposition -- Base -- Rate -- Revenue distributed to certain public**  
1899 **transit districts.**

1900 (1) Subject to the other provisions of this section and except as provided in Subsection  
1901 (2) or (4), beginning on July 1, 2008, the state shall impose a tax under this [part] section on  
1902 the transactions described in Subsection [59-12-103](#)(1) within a city, town, or the  
1903 unincorporated area of a county of the first or second class if, on January 1, 2008, there is a  
1904 public transit district within any portion of that county of the first or second class.

1905 (2) The state may not impose a tax under this [part] section within a county of the first  
1906 or second class if within all of the cities, towns, and the unincorporated area of the county of  
1907 the first or second class there is imposed a sales and use tax of:

1908 (a) .30% under Section [59-12-2213](#);

1909 (b) .30% under Section [59-12-2215](#); or

1910 (c) .30% under Section [59-12-2216](#).

1911 (3) (a) Subject to Subsection (3)(b), if the state imposes a tax under this [part] section,  
1912 the tax rate imposed within a city, town, or the unincorporated area of a county of the first or  
1913 second class is a percentage equal to the difference between:

1914 (i) .30%; and

1915 (ii) (A) for a city within the county of the first or second class, the highest tax rate  
1916 imposed within that city under:

1917 (I) Section [59-12-2213](#);

1918 (II) Section [59-12-2215](#); or

- 1919 (III) Section 59-12-2216;
- 1920 (B) for a town within the county of the first or second class, the highest tax rate
- 1921 imposed within that town under:
- 1922 (I) Section 59-12-2213;
- 1923 (II) Section 59-12-2215; or
- 1924 (III) Section 59-12-2216; or
- 1925 (C) for the unincorporated area of the county of the first or second class, the highest tax
- 1926 rate imposed within that unincorporated area under:
- 1927 (I) Section 59-12-2213;
- 1928 (II) Section 59-12-2215; or
- 1929 (III) Section 59-12-2216.
- 1930 (b) For purposes of Subsection (3)(a), if for a city, town, or the unincorporated area of
- 1931 a county of the first or second class, the highest tax rate imposed under Section 59-12-2213,
- 1932 59-12-2215, or 59-12-2216 within that city, town, or unincorporated area of the county of the
- 1933 first or second class is .30%, the state may not impose a tax under this [part] section within that
- 1934 city, town, or unincorporated area.
- 1935 (4) (a) The state may not impose a tax under this [part] section on:
- 1936 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
- 1937 are exempt from taxation under Section 59-12-104; or
- 1938 (ii) except as provided in Subsection (4)(b), amounts paid or charged for food and food
- 1939 ingredients.
- 1940 (b) The state shall impose a tax under this [part] section on the purchase price or sales
- 1941 price for amounts paid or charged for food and food ingredients if the food and food
- 1942 ingredients are sold as part of a bundled transaction attributable to food and ingredients and
- 1943 tangible personal property other than food and food ingredients.
- 1944 (5) For purposes of Subsection (1), the location of a transaction shall be determined in
- 1945 accordance with Sections 59-12-211 through 59-12-215.
- 1946 (6) The commission shall distribute the revenues the state collects from the sales and
- 1947 use tax under this [part] section, after subtracting amounts a seller retains in accordance with
- 1948 Section 59-12-108, to the public transit districts within the cities, towns, and unincorporated
- 1949 areas:

1950 (a) within which the state imposes a tax under this [part] section; and

1951 (b) in proportion to the revenues collected from the sales and use tax under this [part]  
1952 section within each city, town, and unincorporated area within which the state imposes a tax  
1953 under this [part] section.

1954 Section 27. Section **59-12-2003.1** is enacted to read:

1955 **59-12-2003.1. Additional large public transit district imposition -- Base -- Rate --**  
1956 **Revenue deposited into the Transportation Investment Fund of 2005.**

1957 (1) Subject to the other provisions of this section and except as provided in Subsection  
1958 (2) or (4), beginning on July 1, 2022, there is imposed a tax under this section on the  
1959 transactions described in Subsection [59-12-103](#)(1) within a city, town, or the unincorporated  
1960 area of a county of the first, second, or third class if, on January 1, 2022, there is a large public  
1961 transit district within any portion of that county of the first, second, or third class.

1962 (2) The state may not impose a tax under this section within a county of the first,  
1963 second, or third class if within all of the cities, towns, and the unincorporated area of the  
1964 county of the first, second, or third class the total of all the sales and use tax rates imposed  
1965 under Sections [59-12-2003](#), [59-12-2213](#), [59-12-2214](#), [59-12-2215](#), [59-12-2216](#), [59-12-2217](#),  
1966 [59-12-2218](#), and [59-12-2219](#) within each of the cities, towns, and the unincorporated area of  
1967 the county of the first, second, or third class is 1.05%.

1968 (3) (a) Subject to Subsection (3)(b), if the state imposes a tax under this section, the tax  
1969 rate imposed within a city, town, or the unincorporated area of a county of the first, second, or  
1970 third class is a percentage equal to the difference between:

1971 (i) 1.05%; and

1972 (ii) (A) for a city within the county of the first, second, or third class, the total of all the  
1973 sales and use tax rates imposed within that city under:

1974 (I) Section [59-12-2003](#);

1975 (II) Section [59-12-2213](#);

1976 (III) Section [59-12-2214](#);

1977 (IV) Section [59-12-2215](#);

1978 (V) Section [59-12-2216](#);

1979 (VI) Section [59-12-2217](#);

1980 (VII) Section [59-12-2218](#); and



1981 (VIII) Section 59-12-2219;  
 1982 (B) for a town within the county of the first, second, or third class, the total of all the  
 1983 sales and use tax rates imposed within that town under:

- 1984 (I) Section 59-12-2003;
- 1985 (II) Section 59-12-2213;
- 1986 (III) Section 59-12-2214;
- 1987 (IV) Section 59-12-2215;
- 1988 (V) Section 59-12-2216;
- 1989 (VI) Section 59-12-2217;
- 1990 (VII) Section 59-12-2218; and
- 1991 (VIII) Section 59-12-2219; and

1992 (C) for the unincorporated area of the county of the first, second, or third class, the  
 1993 total of all the sales and use tax rates imposed within that unincorporated area under:

- 1994 (I) Section 59-12-2003;
- 1995 (II) Section 59-12-2213;
- 1996 (III) Section 59-12-2214;
- 1997 (IV) Section 59-12-2215;
- 1998 (V) Section 59-12-2216;
- 1999 (VI) Section 59-12-2217;
- 2000 (VII) Section 59-12-2218; and
- 2001 (VIII) Section 59-12-2219.

2002 (b) For purposes of Subsection (3)(a), if for a city, town, or the unincorporated area of  
 2003 a county of the first, second, or third class, the total of all the sales and use tax rates imposed  
 2004 under Sections 59-12-2003, 59-12-2213, 59-12-2214, 59-12-2215, 59-12-2216, 59-12-2217,  
 2005 59-12-2218, and 59-12-2219 within that city, town, or unincorporated area of the county of the  
 2006 first, second, or third class is 1.05%, the state may not impose a tax under this section within  
 2007 that city, town, or unincorporated area.

2008 (4) (a) The state may not impose a tax under this section on:

2009 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
 2010 are exempt from taxation under Section 59-12-104; or

2011 (ii) except as provided in Subsection (4)(b), amounts paid or charged for food and food

2012 ingredients.

2013 (b) The state shall impose a tax under this section on the purchase price or sales price  
2014 for amounts paid or charged for food and food ingredients if the food and food ingredients are  
2015 sold as part of a bundled transaction attributable to food and food ingredients and tangible  
2016 personal property other than food and food ingredients.

2017 (5) For purposes of Subsection (1), the location of a transaction shall be determined in  
2018 accordance with Sections [59-12-211](#) through [59-12-215](#).

2019 (6) The commission shall deposit the revenues the state collects from the sales and use  
2020 tax under this section, after subtracting amounts a seller retains in accordance with Section  
2021 [59-12-108](#), into the Transportation Investment Fund of 2005 created in Section [72-2-124](#).

2022 Section 28. Section **59-12-2213** is amended to read:

2023 **59-12-2213. County, city, or town option sales and use tax to fund a system for**  
2024 **public transit -- Base -- Rate.**

2025 (1) Subject to the other provisions of this part, but no later than June 30, 2022, a  
2026 county, city, or town may impose a sales and use tax under this section of up to:

2027 (a) for a county, city, or town other than a county, city, or town described in Subsection  
2028 (1)(b), .25% on the transactions described in Subsection [59-12-103](#)(1) located within the  
2029 county, city, or town to fund a system for public transit; or

2030 (b) for a county, city, or town within which a tax is not imposed under Section  
2031 [59-12-2216](#), .30% on the transactions described in Subsection [59-12-103](#)(1) located within the  
2032 county, city, or town, to fund a system for public transit.

2033 (2) Notwithstanding Section [59-12-2208](#), a county, city, or town legislative body is not  
2034 required to submit an opinion question to the county's, city's, or town's registered voters in  
2035 accordance with Section [59-12-2208](#) to impose a sales and use tax under this section if the  
2036 county, city, or town imposes the sales and use tax under Section [59-12-2216](#) on or before July  
2037 1, 2011.

2038 Section 29. Section **59-12-2214** is amended to read:

2039 **59-12-2214. County, city, or town option sales and use tax to fund a system for**  
2040 **public transit, an airport facility, a water conservation project, or to be deposited into the**  
2041 **County of the First Class Highway Projects Fund -- Base -- Rate -- Voter approval**  
2042 **exception.**

2043 (1) Subject to the other provisions of this part, but no later than June 30, 2022, a  
2044 county, city, or town may impose a sales and use tax of .25% on the transactions described in  
2045 Subsection [59-12-103](#)(1) located within the county, city, or town.

2046 (2) Subject to Subsection (3), a county, city, or town that imposes a sales and use tax  
2047 under this section shall expend the revenues collected from the sales and use tax:

2048 (a) to fund a system for public transit;

2049 (b) to fund a project or service related to an airport facility for the portion of the project  
2050 or service that is performed within the county, city, or town within which the sales and use tax  
2051 is imposed:

2052 (i) for a county that imposes the sales and use tax, if the airport facility is part of the  
2053 regional transportation plan of the area metropolitan planning organization if a metropolitan  
2054 planning organization exists for the area; or

2055 (ii) for a city or town that imposes the sales and use tax, if:

2056 (A) that city or town is located within a county of the second class;

2057 (B) that city or town owns or operates the airport facility; and

2058 (C) an airline is headquartered in that city or town; or

2059 (c) for a combination of Subsections (2)(a) and (b).

2060 (3) A county of the first class that imposes a sales and use tax under this section shall  
2061 expend the revenues collected from the sales and use tax as follows:

2062 (a) 80% of the revenues collected from the sales and use tax shall be expended to fund  
2063 a system for public transit; and

2064 (b) 20% of the revenues collected from the sales and use tax shall be deposited into the  
2065 County of the First Class Highway Projects Fund created by Section [72-2-121](#).

2066 (4) Notwithstanding Section [59-12-2208](#), a county, city, or town legislative body is not  
2067 required to submit an opinion question to the county's, city's, or town's registered voters in  
2068 accordance with Section [59-12-2208](#) to impose a sales and use tax under this section if:

2069 (a) the county, city, or town imposes the sales and use tax under this section on or after  
2070 July 1, 2010, but on or before July 1, 2011;

2071 (b) on July 1, 2010, the county, city, or town imposes a sales and use tax under:

2072 (i) Section [59-12-2213](#); or

2073 (ii) Section [59-12-2215](#); and

2074 (c) the county, city, or town obtained voter approval to impose the sales and use tax  
2075 under:

2076 (i) Section 59-12-2213; or

2077 (ii) Section 59-12-2215.

2078 Section 30. Section 59-12-2215 is amended to read:

2079 **59-12-2215. City or town option sales and use tax for highways or to fund a**  
2080 **system for public transit -- Base -- Rate.**

2081 (1) Subject to the other provisions of this part, but no later than June 30, 2022, a city or  
2082 town may impose a sales and use tax of up to .30% on the transactions described in Subsection  
2083 59-12-103(1) located within the city or town.

2084 (2) A city or town imposing a sales and use tax under this section shall expend the  
2085 revenues collected from the sales and use tax:

2086 (a) for the construction and maintenance of highways under the jurisdiction of the city  
2087 or town imposing the tax;

2088 (b) to fund a system for public transit; or

2089 (c) for a combination of Subsections (2)(a) and (b).

2090 Section 31. Section 59-12-2216 is amended to read:

2091 **59-12-2216. County option sales and use tax for a fixed guideway, to fund a**  
2092 **system for public transit, or for highways -- Base -- Rate -- Allocation and expenditure of**  
2093 **revenues.**

2094 (1) Subject to the other provisions of this part, but no later than June 30, 2022, a county  
2095 legislative body may impose a sales and use tax of up to .30% on the transactions described in  
2096 Subsection 59-12-103(1) within the county, including the cities and towns within the county.

2097 (2) Subject to Subsection (3), before obtaining voter approval in accordance with  
2098 Section 59-12-2208, a county legislative body shall adopt a resolution specifying the  
2099 percentage of revenues the county will receive from the sales and use tax under this section that  
2100 will be allocated to fund one or more of the following:

2101 (a) a project or service relating to a fixed guideway for the portion of the project or  
2102 service that is performed within the county;

2103 (b) a project or service relating to a system for public transit, except for a fixed  
2104 guideway, for the portion of the project or service that is performed within the county;

- 2105 (c) the following relating to a state highway within the county:
- 2106 (i) a project within the county if the project:
- 2107 (A) begins on or after the day on which a county legislative body imposes a tax under
- 2108 this section; and
- 2109 (B) involves an environmental study, an improvement, new construction, or a
- 2110 renovation;
- 2111 (ii) debt service on a project described in Subsection (2)(c)(i); or
- 2112 (iii) bond issuance costs related to a project described in Subsection (2)(c)(i); or
- 2113 (d) a project, debt service, or bond issuance cost described in Subsection (2)(c) relating
- 2114 to a highway that is:
- 2115 (i) a principal arterial highway or minor arterial highway;
- 2116 (ii) included in a metropolitan planning organization's regional transportation plan; and
- 2117 (iii) not a state highway.
- 2118 (3) A county legislative body shall in the resolution described in Subsection (2)
- 2119 allocate 100% of the revenues the county will receive from the sales and use tax under this
- 2120 section for one or more of the purposes described in Subsection (2).
- 2121 (4) Notwithstanding Section [59-12-2208](#), the opinion question required by Section
- 2122 [59-12-2208](#) shall state the allocations the county legislative body makes in accordance with this
- 2123 section.
- 2124 (5) The revenues collected from a sales and use tax under this section shall be:
- 2125 (a) allocated in accordance with the allocations specified in the resolution under
- 2126 Subsection (2); and
- 2127 (b) expended as provided in this section.
- 2128 (6) If a county legislative body allocates revenues collected from a sales and use tax
- 2129 under this section for a state highway project described in Subsection (2)(c)(i), before
- 2130 beginning the state highway project within the county, the county legislative body shall:
- 2131 (a) obtain approval from the Transportation Commission to complete the project; and
- 2132 (b) enter into an interlocal agreement established in accordance with Title 11, Chapter
- 2133 13, Interlocal Cooperation Act, with the Department of Transportation to complete the project.
- 2134 (7) If after a county legislative body imposes a sales and use tax under this section the
- 2135 county legislative body seeks to change an allocation specified in the resolution under

2136 Subsection (2), the county legislative body may change the allocation by:

2137 (a) adopting a resolution in accordance with Subsection (2) specifying the percentage  
2138 of revenues the county will receive from the sales and use tax under this section that will be  
2139 allocated to fund one or more of the items described in Subsection (2);

2140 (b) obtaining approval to change the allocation of the sales and use tax by a majority of  
2141 all of the members of the county legislative body; and

2142 (c) subject to Subsection (8):

2143 (i) in accordance with Section 59-12-2208, submitting an opinion question to the  
2144 county's registered voters voting on changing the allocation so that each registered voter has the  
2145 opportunity to express the registered voter's opinion on whether the allocation should be  
2146 changed; and

2147 (ii) in accordance with Section 59-12-2208, obtaining approval to change the allocation  
2148 from a majority of the county's registered voters voting on changing the allocation.

2149 (8) Notwithstanding Section 59-12-2208, the opinion question required by Subsection  
2150 (7)(c)(i) shall state the allocations specified in the resolution adopted in accordance with  
2151 Subsection (7)(a) and approved by the county legislative body in accordance with Subsection  
2152 (7)(b).

2153 (9) Revenues collected from a sales and use tax under this section that a county  
2154 allocates for a purpose described in Subsection (2)(c) shall be:

2155 (a) deposited into the Highway Projects Within Counties Fund created by Section  
2156 72-2-121.1; and

2157 (b) expended as provided in Section 72-2-121.1.

2158 (10) (a) Notwithstanding Section 59-12-2206 and subject to Subsection (10)(b),  
2159 revenues collected from a sales and use tax under this section that a county allocates for a  
2160 purpose described in Subsection (2)(d) shall be transferred to the Department of Transportation  
2161 if the transfer of the revenues is required under an interlocal agreement:

2162 (i) entered into on or before January 1, 2010; and

2163 (ii) established in accordance with Title 11, Chapter 13, Interlocal Cooperation Act.

2164 (b) The Department of Transportation shall expend the revenues described in  
2165 Subsection (10)(a) as provided in the interlocal agreement described in Subsection (10)(a).

2166 Section 32. Section 59-12-2217 is amended to read:

2167           **59-12-2217. County option sales and use tax for transportation -- Base -- Rate --**  
2168 **Written prioritization process -- Approval by county legislative body.**

2169           (1) Subject to the other provisions of this part, but no later than June 30, 2022, a county  
2170 legislative body may impose a sales and use tax of up to .25% on the transactions described in  
2171 Subsection 59-12-103(1) within the county, including the cities and towns within the county.

2172           (2) Subject to Subsections (3) through (8) and Section 59-12-2207, the revenues  
2173 collected from a sales and use tax under this section may only be expended for:

2174           (a) a project or service:

2175           (i) relating to a regionally significant transportation facility for the portion of the  
2176 project or service that is performed within the county;

2177           (ii) for new capacity or congestion mitigation if the project or service is performed  
2178 within a county:

2179           (A) of the first or second class; or

2180           (B) if that county is part of an area metropolitan planning organization; and

2181           (iii) that is on a priority list:

2182           (A) created by the county's council of governments in accordance with Subsection (7);

2183 and

2184           (B) approved by the county legislative body in accordance with Subsection (7);

2185           (b) corridor preservation for a project or service described in Subsection (2)(a) as  
2186 provided in Subsection (8); or

2187           (c) debt service or bond issuance costs related to a project or service described in  
2188 Subsection (2)(a)(i) or (ii).

2189           (3) If a project or service described in Subsection (2) is for:

2190           (a) a principal arterial highway or a minor arterial highway in a county of the first or  
2191 second class or a collector road in a county of the second class, that project or service shall be  
2192 part of the:

2193           (i) county and municipal master plan; and

2194           (ii) (A) statewide long-range plan; or

2195           (B) regional transportation plan of the area metropolitan planning organization if a  
2196 metropolitan planning organization exists for the area; or

2197           (b) a fixed guideway or an airport, that project or service shall be part of the regional

2198 transportation plan of the area metropolitan planning organization if a metropolitan planning  
2199 organization exists for the area.

2200 (4) In a county of the first or second class, a regionally significant transportation  
2201 facility project or service described in Subsection (2)(a)(i) shall have a funded year priority  
2202 designation on a Statewide Transportation Improvement Program and Transportation  
2203 Improvement Program if the project or service described in Subsection (2)(a)(i) is:

- 2204 (a) a principal arterial highway;
- 2205 (b) a minor arterial highway;
- 2206 (c) a collector road in a county of the second class; or
- 2207 (d) a major collector highway in a rural area.

2208 (5) Of the revenues collected from a sales and use tax imposed under this section  
2209 within a county of the first or second class, 25% or more shall be expended for the purpose  
2210 described in Subsection (2)(b).

2211 (6) (a) As provided in this Subsection (6), a council of governments shall:

2212 (i) develop a written prioritization process for the prioritization of projects to be funded  
2213 by revenues collected from a sales and use tax under this section;

2214 (ii) create a priority list of regionally significant transportation facility projects or  
2215 services described in Subsection (2)(a)(i) in accordance with Subsection (7); and

2216 (iii) present the priority list to the county legislative body for approval in accordance  
2217 with Subsection (7).

2218 (b) The written prioritization process described in Subsection (6)(a)(i) shall include:

2219 (i) a definition of the type of projects to which the written prioritization process  
2220 applies;

2221 (ii) subject to Subsection (6)(c), the specification of a weighted criteria system that the  
2222 council of governments will use to rank proposed projects and how that weighted criteria  
2223 system will be used to determine which proposed projects will be prioritized;

2224 (iii) the specification of data that is necessary to apply the weighted criteria system;

2225 (iv) application procedures for a project to be considered for prioritization by the  
2226 council of governments; and

2227 (v) any other provision the council of governments considers appropriate.

2228 (c) The weighted criteria system described in Subsection (6)(b)(ii) shall include the



2229 following:

- 2230 (i) the cost effectiveness of a project;
- 2231 (ii) the degree to which a project will mitigate regional congestion;
- 2232 (iii) the compliance requirements of applicable federal laws or regulations;
- 2233 (iv) the economic impact of a project;
- 2234 (v) the degree to which a project will require tax revenues to fund maintenance and
- 2235 operation expenses; and
- 2236 (vi) any other provision the council of governments considers appropriate.

2237 (d) A council of governments of a county of the first or second class shall submit the  
2238 written prioritization process described in Subsection (6)(a)(i) to the Executive Appropriations  
2239 Committee for approval prior to taking final action on:

- 2240 (i) the written prioritization process; or
- 2241 (ii) any proposed amendment to the written prioritization process.

2242 (7) (a) A council of governments shall use the weighted criteria system adopted in the  
2243 written prioritization process developed in accordance with Subsection (6) to create a priority  
2244 list of regionally significant transportation facility projects or services for which revenues  
2245 collected from a sales and use tax under this section may be expended.

2246 (b) Before a council of governments may finalize a priority list or the funding level of a  
2247 project, the council of governments shall conduct a public meeting on:

- 2248 (i) the written prioritization process; and
- 2249 (ii) the merits of the projects that are prioritized as part of the written prioritization  
2250 process.

2251 (c) A council of governments shall make the weighted criteria system ranking for each  
2252 project prioritized as part of the written prioritization process publicly available before the  
2253 public meeting required by Subsection (7)(b) is held.

2254 (d) If a council of governments prioritizes a project over another project with a higher  
2255 rank under the weighted criteria system, the council of governments shall:

- 2256 (i) identify the reasons for prioritizing the project over another project with a higher  
2257 rank under the weighted criteria system at the public meeting required by Subsection (7)(b);
- 2258 and
- 2259 (ii) make the reasons described in Subsection (7)(d)(i) publicly available.

2260 (e) Subject to Subsections (7)(f) and (g), after a council of governments finalizes a  
2261 priority list in accordance with this Subsection (7), the council of governments shall:

- 2262 (i) submit the priority list to the county legislative body for approval; and
- 2263 (ii) obtain approval of the priority list from a majority of the members of the county  
2264 legislative body.

2265 (f) A council of governments may only submit one priority list per calendar year to the  
2266 county legislative body.

2267 (g) A county legislative body may only consider and approve one priority list submitted  
2268 under Subsection (7)(e) per calendar year.

2269 (8) (a) Except as provided in Subsection (8)(b), revenues collected from a sales and use  
2270 tax under this section that a county allocates for a purpose described in Subsection (2)(b) shall  
2271 be:

- 2272 (i) deposited in or transferred to the Local Highway and Transportation Corridor  
2273 Preservation Fund created by Section [72-2-117.5](#); and
- 2274 (ii) expended as provided in Section [72-2-117.5](#).

2275 (b) In a county of the first class, revenues collected from a sales and use tax under this  
2276 section that a county allocates for a purpose described in Subsection (2)(b) shall be:

- 2277 (i) deposited in or transferred to the County of the First Class Highway Projects Fund  
2278 created by Section [72-2-121](#); and
- 2279 (ii) expended as provided in Section [72-2-121](#).

2280 (9) Notwithstanding Section [59-12-2208](#), a county legislative body may, but is not  
2281 required to, submit an opinion question to the county's registered voters in accordance with  
2282 Section [59-12-2208](#) to impose a sales and use tax under this section.

2283 Section 33. Section **59-12-2218** is amended to read:

2284 **59-12-2218. County, city, or town option sales and use tax for airports, highways,**  
2285 **and systems for public transit -- Base -- Rate -- Administration of sales and use tax --**  
2286 **Voter approval exception.**

2287 (1) Subject to the other provisions of this part, but no later than June 30, 2022, the  
2288 following may impose a sales and use tax under this section:

2289 (a) if, on April 1, 2009, a county legislative body of a county of the second class  
2290 imposes a sales and use tax under this section, the county legislative body of the county of the

2291 second class may impose the sales and use tax on the transactions:

2292 (i) described in Subsection 59-12-103(1); and

2293 (ii) within the county, including the cities and towns within the county; or

2294 (b) if, on April 1, 2009, a county legislative body of a county of the second class does  
2295 not impose a sales and use tax under this section:

2296 (i) a city legislative body of a city within the county of the second class may impose a  
2297 sales and use tax under this section on the transactions described in Subsection 59-12-103(1)  
2298 within that city;

2299 (ii) a town legislative body of a town within the county of the second class may impose  
2300 a sales and use tax under this section on the transactions described in Subsection 59-12-103(1)  
2301 within that town; and

2302 (iii) the county legislative body of the county of the second class may impose a sales  
2303 and use tax on the transactions described in Subsection 59-12-103(1):

2304 (A) within the county, including the cities and towns within the county, if on the date  
2305 the county legislative body provides the notice described in Section 59-12-2209 to the  
2306 commission stating that the county will enact a sales and use tax under this section, no city or  
2307 town within that county imposes a sales and use tax under this section or has provided the  
2308 notice described in Section 59-12-2209 to the commission stating that the city or town will  
2309 enact a sales and use tax under this section; or

2310 (B) within the county, except for within a city or town within that county, if, on the  
2311 date the county legislative body provides the notice described in Section 59-12-2209 to the  
2312 commission stating that the county will enact a sales and use tax under this section, that city or  
2313 town imposes a sales and use tax under this section or has provided the notice described in  
2314 Section 59-12-2209 to the commission stating that the city or town will enact a sales and use  
2315 tax under this section.

2316 (2) For purposes of Subsection (1) and subject to the other provisions of this section, a  
2317 county, city, or town legislative body that imposes a sales and use tax under this section may  
2318 impose the tax at a rate of:

2319 (a) .10%; or

2320 (b) .25%.

2321 (3) A sales and use tax imposed at a rate described in Subsection (2)(a) shall be

2322 expended as determined by the county, city, or town legislative body as follows:

2323 (a) deposited as provided in Subsection (9)(b) into the County of the Second Class  
2324 State Highway Projects Fund created by Section 72-2-121.2 and expended as provided in  
2325 Section 72-2-121.2;

2326 (b) expended for a project or service relating to an airport facility for the portion of the  
2327 project or service that is performed within the county, city, or town within which the tax is  
2328 imposed:

2329 (i) for a county legislative body that imposes the sales and use tax, if that airport  
2330 facility is part of the regional transportation plan of the area metropolitan planning organization  
2331 if a metropolitan planning organization exists for the area; or

2332 (ii) for a city or town legislative body that imposes the sales and use tax, if:

2333 (A) that city or town owns or operates the airport facility; and

2334 (B) an airline is headquartered in that city or town; or

2335 (c) deposited or expended for a combination of Subsections (3)(a) and (b).

2336 (4) Subject to Subsections (5) through (7), a sales and use tax imposed at a rate  
2337 described in Subsection (2)(b) shall be expended as determined by the county, city, or town  
2338 legislative body as follows:

2339 (a) deposited as provided in Subsection (9)(b) into the County of the Second Class  
2340 State Highway Projects Fund created by Section 72-2-121.2 and expended as provided in  
2341 Section 72-2-121.2;

2342 (b) expended for:

2343 (i) a state highway designated under Title 72, Chapter 4, Part 1, State Highways;

2344 (ii) a local highway that is a principal arterial highway, minor arterial highway, major  
2345 collector highway, or minor collector road; or

2346 (iii) a combination of Subsections (4)(b)(i) and (ii);

2347 (c) expended for a project or service relating to a system for public transit for the  
2348 portion of the project or service that is performed within the county, city, or town within which  
2349 the sales and use tax is imposed;

2350 (d) expended for a project or service relating to an airport facility for the portion of the  
2351 project or service that is performed within the county, city, or town within which the sales and  
2352 use tax is imposed:

- 2353 (i) for a county legislative body that imposes the sales and use tax, if that airport  
2354 facility is part of the regional transportation plan of the area metropolitan planning organization  
2355 if a metropolitan planning organization exists for the area; or
- 2356 (ii) for a city or town legislative body that imposes the sales and use tax, if:  
2357 (A) that city or town owns or operates the airport facility; and  
2358 (B) an airline is headquartered in that city or town;
- 2359 (e) expended for:  
2360 (i) a class B road, as defined in Section 72-3-103;  
2361 (ii) a class C road, as defined in Section 72-3-104; or  
2362 (iii) a combination of Subsections (4)(e)(i) and (ii);
- 2363 (f) expended for traffic and pedestrian safety, including:  
2364 (i) for a class B road, as defined in Section 72-3-103, or class C road, as defined in  
2365 Section 72-3-104, for:  
2366 (A) a sidewalk;  
2367 (B) curb and gutter;  
2368 (C) a safety feature;  
2369 (D) a traffic sign;  
2370 (E) a traffic signal;  
2371 (F) street lighting; or  
2372 (G) a combination of Subsections (4)(f)(i)(A) through (F);
- 2373 (ii) the construction of an active transportation facility that:  
2374 (A) is for nonmotorized vehicles and multimodal transportation; and  
2375 (B) connects an origin with a destination; or
- 2376 (iii) a combination of Subsections (4)(f)(i) and (ii); or  
2377 (g) deposited or expended for a combination of Subsections (4)(a) through (f).
- 2378 (5) A county, city, or town legislative body may not expend revenue collected within a  
2379 county, city, or town from a tax under this section for a purpose described in Subsections (4)(b)  
2380 through (f) unless the purpose is recommended by:  
2381 (a) for a county that is part of a metropolitan planning organization, the metropolitan  
2382 planning organization of which the county is a part; or  
2383 (b) for a county that is not part of a metropolitan planning organization, the council of

2384 governments of which the county is a part.

2385           (6) (a) (i) Except as provided in Subsection (6)(b), a county, city, or town that imposes  
2386 a tax described in Subsection (2)(b) shall deposit the revenue collected from a tax rate of .05%  
2387 as provided in Subsection (9)(b)(i) into the Local Highway and Transportation Corridor  
2388 Preservation Fund created by Section [72-2-117.5](#).

2389           (ii) Revenue deposited in accordance with Subsection (6)(a)(i) shall be expended and  
2390 distributed in accordance with Section [72-2-117.5](#).

2391           (b) A county, city, or town is not required to make the deposit required by Subsection  
2392 (6)(a)(i) if the county, city, or town:

2393           (i) imposed a tax described in Subsection (2)(b) on July 1, 2010; or

2394           (ii) has continuously imposed a tax described in Subsection (2)(b):

2395           (A) beginning after July 1, 2010; and

2396           (B) for a five-year period.

2397           (7) (a) Subject to the other provisions of this Subsection (7), a city or town within  
2398 which a sales and use tax is imposed at the tax rate described in Subsection (2)(b) may:

2399           (i) expend the revenues in accordance with Subsection (4); or

2400           (ii) expend the revenues in accordance with Subsections (7)(b) through (d) if:

2401           (A) that city or town owns or operates an airport facility; and

2402           (B) an airline is headquartered in that city or town.

2403           (b) (i) A city or town legislative body of a city or town within which a sales and use tax  
2404 is imposed at the tax rate described in Subsection (2)(b) may expend the revenues collected  
2405 from a tax rate of greater than .10% but not to exceed the revenues collected from a tax rate of  
2406 .25% for a purpose described in Subsection (7)(b)(ii) if:

2407           (A) that city or town owns or operates an airport facility; and

2408           (B) an airline is headquartered in that city or town.

2409           (ii) A city or town described in Subsection (7)(b)(i) may expend the revenues collected  
2410 from a tax rate of greater than .10% but not to exceed the revenues collected from a tax rate of  
2411 .25% for:

2412           (A) a project or service relating to the airport facility; and

2413           (B) the portion of the project or service that is performed within the city or town  
2414 imposing the sales and use tax.

2415 (c) If a city or town legislative body described in Subsection (7)(b)(i) determines to  
2416 expend the revenues collected from a tax rate of greater than .10% but not to exceed the  
2417 revenues collected from a tax rate of .25% for a project or service relating to an airport facility  
2418 as allowed by Subsection (7)(b), any remaining revenue that is collected from the sales and use  
2419 tax imposed at the tax rate described in Subsection (2)(b) that is not expended for the project or  
2420 service relating to an airport facility as allowed by Subsection (7)(b) shall be expended as  
2421 follows:

2422 (i) 75% of the remaining revenues shall be deposited as provided in Subsection (9)(c)  
2423 into the County of the Second Class State Highway Projects Fund created by Section  
2424 [72-2-121.2](#) and expended as provided in Section [72-2-121.2](#); and

2425 (ii) 25% of the remaining revenues shall be deposited as provided in Subsection (9)(c)  
2426 into the Local Highway and Transportation Corridor Preservation Fund created by Section  
2427 [72-2-117.5](#) and expended and distributed in accordance with Section [72-2-117.5](#).

2428 (d) A city or town legislative body that expends the revenues collected from a sales and  
2429 use tax imposed at the tax rate described in Subsection (2)(b) in accordance with Subsections  
2430 (7)(b) and (c):

2431 (i) shall, on or before the date the city or town legislative body provides the notice  
2432 described in Section [59-12-2209](#) to the commission stating that the city or town will enact a  
2433 sales and use tax under this section:

2434 (A) determine the tax rate, the percentage of which is greater than .10% but does not  
2435 exceed .25%, the collections from which the city or town legislative body will expend for a  
2436 project or service relating to an airport facility as allowed by Subsection (7)(b); and

2437 (B) notify the commission in writing of the tax rate the city or town legislative body  
2438 determines in accordance with Subsection (7)(d)(i)(A);

2439 (ii) shall, on or before the April 1 immediately following the date the city or town  
2440 legislative body provides the notice described in Subsection (7)(d)(i) to the commission:

2441 (A) determine the tax rate, the percentage of which is greater than .10% but does not  
2442 exceed .25%, the collections from which the city or town legislative body will expend for a  
2443 project or service relating to an airport facility as allowed by Subsection (7)(b); and

2444 (B) notify the commission in writing of the tax rate the city or town legislative body  
2445 determines in accordance with Subsection (7)(d)(ii)(A);

2446 (iii) shall, on or before April 1 of each year after the April 1 described in Subsection  
2447 (7)(d)(ii):

2448 (A) determine the tax rate, the percentage of which is greater than .10% but does not  
2449 exceed .25%, the collections from which the city or town legislative body will expend for a  
2450 project or service relating to an airport facility as allowed by Subsection (7)(b); and

2451 (B) notify the commission in writing of the tax rate the city or town legislative body  
2452 determines in accordance with Subsection (7)(d)(iii)(A); and

2453 (iv) may not change the tax rate the city or town legislative body determines in  
2454 accordance with Subsections (7)(d)(i) through (iii) more frequently than as prescribed by  
2455 Subsections (7)(d)(i) through (iii).

2456 (8) Before a city or town legislative body may impose a sales and use tax under this  
2457 section, the city or town legislative body shall provide a copy of the notice described in Section  
2458 [59-12-2209](#) that the city or town legislative body provides to the commission:

2459 (a) to the county legislative body within which the city or town is located; and

2460 (b) at the same time as the city or town legislative body provides the notice to the  
2461 commission.

2462 (9) (a) Subject to Subsections (9)(b) through (e) and Section [59-12-2207](#), the  
2463 commission shall transmit revenues collected within a county, city, or town from a tax under  
2464 this part that will be expended for a purpose described in Subsection (3)(b) or Subsections  
2465 (4)(b) through (f) to the county, city, or town legislative body in accordance with Section  
2466 [59-12-2206](#).

2467 (b) Except as provided in Subsection (9)(c) and subject to Section [59-12-2207](#), the  
2468 commission shall deposit revenues collected within a county, city, or town from a sales and use  
2469 tax under this section that:

2470 (i) are required to be expended for a purpose described in Subsection (6)(a) into the  
2471 Local Transportation Corridor Preservation Fund created by Section [72-2-117.5](#); or

2472 (ii) a county, city, or town legislative body determines to expend for a purpose  
2473 described in Subsection (3)(a) or (4)(a) into the County of the Second Class State Highway  
2474 Projects Fund created by Section [72-2-121.2](#) if the county, city, or town legislative body  
2475 provides written notice to the commission requesting the deposit.

2476 (c) Subject to Subsection (9)(d) or (e), if a city or town legislative body provides notice



2477 to the commission in accordance with Subsection (7)(d), the commission shall:

2478 (i) transmit the revenues collected from the tax rate stated on the notice to the city or  
2479 town legislative body monthly by electronic funds transfer; and

2480 (ii) deposit any remaining revenues described in Subsection (7)(c) in accordance with  
2481 Subsection (7)(c).

2482 (d) (i) If a city or town legislative body provides the notice described in Subsection  
2483 (7)(d)(i) to the commission, the commission shall transmit or deposit the revenues collected  
2484 from the sales and use tax:

2485 (A) in accordance with Subsection (9)(c);

2486 (B) beginning on the date the city or town legislative body enacts the sales and use tax;  
2487 and

2488 (C) ending on the earlier of the June 30 immediately following the date the city or town  
2489 legislative body provides the notice described in Subsection (7)(d)(ii) to the commission or the  
2490 date the city or town legislative body repeals the sales and use tax.

2491 (ii) If a city or town legislative body provides the notice described in Subsection  
2492 (7)(d)(ii) or (iii) to the commission, the commission shall transmit or deposit the revenues  
2493 collected from the sales and use tax:

2494 (A) in accordance with Subsection (9)(c);

2495 (B) beginning on the July 1 immediately following the date the city or town legislative  
2496 body provides the notice described in Subsection (7)(d)(ii) or (iii) to the commission; and

2497 (C) ending on the earlier of the June 30 of the year after the date the city or town  
2498 legislative body provides the notice described in Subsection (7)(d)(ii) or (iii) to the commission  
2499 or the date the city or town legislative body repeals the sales and use tax.

2500 (e) (i) If a city or town legislative body that is required to provide the notice described  
2501 in Subsection (7)(d)(i) does not provide the notice described in Subsection (7)(d)(i) to the  
2502 commission on or before the date required by Subsection (7)(d) for providing the notice, the  
2503 commission shall transmit, transfer, or deposit the revenues collected from the sales and use  
2504 tax within the city or town in accordance with Subsections (9)(a) and (b).

2505 (ii) If a city or town legislative body that is required to provide the notice described in  
2506 Subsection (7)(d)(ii) or (iii) does not provide the notice described in Subsection (7)(d)(ii) or  
2507 (iii) to the commission on or before the date required by Subsection (7)(d) for providing the

2508 notice, the commission shall transmit or deposit the revenues collected from the sales and use  
2509 tax within the city or town in accordance with:

2510 (A) Subsection (9)(c); and

2511 (B) the most recent notice the commission received from the city or town legislative  
2512 body under Subsection (7)(d).

2513 (10) Notwithstanding Section 59-12-2208, a county, city, or town legislative body may,  
2514 but is not required to, submit an opinion question to the county's, city's, or town's registered  
2515 voters in accordance with Section 59-12-2208 to impose a sales and use tax under this section.

2516 Section 34. Section 59-12-2219 is amended to read:

2517 **59-12-2219. County option sales and use tax for highways and public transit --**  
2518 **Base -- Rate -- Distribution and expenditure of revenue -- Revenue may not supplant**  
2519 **existing budgeted transportation revenue.**

2520 (1) As used in this section:

2521 (a) "Class B road" means the same as that term is defined in Section 72-3-103.

2522 (b) "Class C road" means the same as that term is defined in Section 72-3-104.

2523 (c) "Eligible political subdivision" means a political subdivision that:

2524 (i) (A) on May 12, 2015, provides public transit services; or

2525 (B) after May 12, 2015, provides written notice to the commission in accordance with  
2526 Subsection (10)(b) that it intends to provide public transit service within a county;

2527 (ii) is not a public transit district; and

2528 (iii) is not annexed into a public transit district.

2529 (d) "Public transit district" means a public transit district organized under Title 17B,  
2530 Chapter 2a, Part 8, Public Transit District Act.

2531 (2) Subject to the other provisions of this part, but no later than June 30, 2022, a county  
2532 legislative body may impose a sales and use tax of .25% on the transactions described in  
2533 Subsection 59-12-103(1) within the county, including the cities and towns within the county.

2534 (3) The commission shall distribute sales and use tax revenue collected under this  
2535 section as provided in Subsections (4) through (10).

2536 (4) If the entire boundary of a county that imposes a sales and use tax under this section  
2537 is annexed into a single public transit district, the commission shall distribute the sales and use  
2538 tax revenue collected within the county as follows:

2539 (a) .10% shall be transferred to the public transit district in accordance with Section  
2540 [59-12-2206](#);

2541 (b) .10% shall be distributed as provided in Subsection (8); and

2542 (c) .05% shall be distributed to the county legislative body.

2543 (5) If the entire boundary of a county that imposes a sales and use tax under this section  
2544 is not annexed into a single public transit district, but a city or town within the county is  
2545 annexed into a single public transit district that also has a county of the first class annexed into  
2546 the same public transit district, the commission shall distribute the sales and use tax revenue  
2547 collected within the county as follows:

2548 (a) for a city or town within the county that is annexed into a single public transit  
2549 district, the commission shall distribute the sales and use tax revenue collected within that city  
2550 or town as follows:

2551 (i) .10% shall be transferred to the public transit district in accordance with Section  
2552 [59-12-2206](#);

2553 (ii) .10% shall be distributed as provided in Subsection (8); and

2554 (iii) .05% shall be distributed to the county legislative body;

2555 (b) for an eligible political subdivision within the county, the commission shall  
2556 distribute the sales and use tax revenue collected within that eligible political subdivision as  
2557 follows:

2558 (i) .10% shall be transferred to the eligible political subdivision in accordance with  
2559 Section [59-12-2206](#);

2560 (ii) .10% shall be distributed as provided in Subsection (8); and

2561 (iii) .05% shall be distributed to the county legislative body; and

2562 (c) the commission shall distribute the sales and use tax revenue, except for the sales  
2563 and use tax revenue described in Subsections (5)(a) and (b), as follows:

2564 (i) .10% shall be distributed as provided in Subsection (8); and

2565 (ii) .15% shall be distributed to the county legislative body.

2566 (6) For a county not described in Subsection (4) or (5), if the entire boundary of a  
2567 county of the first or second class that imposes a sales and use tax under this section is not  
2568 annexed into a single public transit district, or if there is not a public transit district within the  
2569 county, the commission shall distribute the sales and use tax revenue collected within the

2570 county as follows:

2571 (a) for a city or town within the county that is annexed into a single public transit  
2572 district, the commission shall distribute the sales and use tax revenue collected within that city  
2573 or town as follows:

2574 (i) .10% shall be transferred to the public transit district in accordance with Section  
2575 [59-12-2206](#);

2576 (ii) .10% shall be distributed as provided in Subsection (8); and

2577 (iii) .05% shall be distributed to the county legislative body;

2578 (b) for an eligible political subdivision within the county, the commission shall  
2579 distribute the sales and use tax revenue collected within that eligible political subdivision as  
2580 follows:

2581 (i) .10% shall be transferred to the eligible political subdivision in accordance with  
2582 Section [59-12-2206](#);

2583 (ii) .10% shall be distributed as provided in Subsection (8); and

2584 (iii) .05% shall be distributed to the county legislative body; and

2585 (c) the commission shall distribute the sales and use tax revenue, except for the sales  
2586 and use tax revenue described in Subsections (6)(a) and (b), as follows:

2587 (i) .10% shall be distributed as provided in Subsection (8); and

2588 (ii) .15% shall be distributed to the county legislative body.

2589 (7) For a county not described in Subsection (4) or (5), if the entire boundary of a  
2590 county of the third, fourth, fifth, or sixth class that imposes a sales and use tax under this  
2591 section is not annexed into a single public transit district, or if there is not a public transit  
2592 district within the county, the commission shall distribute the sales and use tax revenue  
2593 collected within the county as follows:

2594 (a) for a city or town within the county that is annexed into a single public transit  
2595 district, the commission shall distribute the sales and use tax revenue collected within that city  
2596 or town as follows:

2597 (i) .10% shall be distributed as provided in Subsection (8);

2598 (ii) .10% shall be distributed as provided in Subsection (9); and

2599 (iii) .05% shall be distributed to the county legislative body;

2600 (b) for an eligible political subdivision within the county, the commission shall

2601 distribute the sales and use tax revenue collected within that eligible political subdivision as  
2602 follows:

2603 (i) .10% shall be distributed as provided in Subsection (8);

2604 (ii) .10% shall be distributed as provided in Subsection (9); and

2605 (iii) .05% shall be distributed to the county legislative body; and

2606 (c) the commission shall distribute the sales and use tax revenue, except for the sales  
2607 and use tax revenue described in Subsections (7)(a) and (b), as follows:

2608 (i) .10% shall be distributed as provided in Subsection (8); and

2609 (ii) .15% shall be distributed to the county legislative body.

2610 (8) (a) Subject to Subsection (8)(b), the commission shall make the distributions  
2611 required by Subsections (4)(b), (5)(a)(ii), (5)(b)(ii), (5)(c)(i), (6)(a)(ii), (6)(b)(ii), (6)(c)(i),  
2612 (7)(a)(i), (7)(b)(i), (7)(c)(i), and (9)(d)(ii)(A) as follows:

2613 (i) 50% of the total revenue collected under Subsections (4)(b), (5)(a)(ii), (5)(b)(ii),  
2614 (5)(c)(i), (6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), and (9)(d)(ii)(A) within the  
2615 counties that impose a tax under this section shall be distributed to the unincorporated areas,  
2616 cities, and towns within those counties on the basis of the percentage that the population of  
2617 each unincorporated area, city, or town bears to the total population of all of the counties that  
2618 impose a tax under this section; and

2619 (ii) 50% of the total revenue collected under Subsections (4)(b), (5)(a)(ii), (5)(b)(ii),  
2620 (5)(c)(i), (6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), and (9)(d)(ii)(A) within the  
2621 counties that impose a tax under this section shall be distributed to the unincorporated areas,  
2622 cities, and towns within those counties on the basis of the location of the transaction as  
2623 determined under Sections [59-12-211](#) through [59-12-215](#).

2624 (b) (i) Population for purposes of this Subsection (8) shall be determined on the basis  
2625 of the most recent official census or census estimate of the United States Census Bureau.

2626 (ii) If a needed population estimate is not available from the United States Census  
2627 Bureau, population figures shall be derived from an estimate from the Utah Population  
2628 Estimates Committee created by executive order of the governor.

2629 (9) (a) (i) Subject to the requirements in Subsections (9)(b) and (c), a county legislative  
2630 body:

2631 (A) for a county that obtained approval from a majority of the county's registered

2632 voters voting on the imposition of a sales and use tax under this section prior to May 10, 2016,  
2633 may, in consultation with any cities, towns, or eligible political subdivisions within the county,  
2634 and in compliance with the requirements for changing an allocation under Subsection (9)(e),  
2635 allocate the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) by adopting a resolution specifying  
2636 the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a  
2637 public transit district or an eligible political subdivision; or

2638 (B) for a county that obtains approval from a majority of the county's registered voters  
2639 voting on the imposition of a sales and use tax under this section on or after May 10, 2016,  
2640 shall, in consultation with any cities, towns, or eligible political subdivisions within the county,  
2641 allocate the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) by adopting a resolution specifying  
2642 the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a  
2643 public transit district or an eligible political subdivision.

2644 (ii) If a county described in Subsection (9)(a)(i)(A) does not allocate the revenue under  
2645 Subsection (7)(a)(ii) or (7)(b)(ii) in accordance with Subsection (9)(a)(i)(A), the commission  
2646 shall distribute 100% of the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) to:

2647 (A) a public transit district for a city or town within the county that is annexed into a  
2648 single public transit district; or

2649 (B) an eligible political subdivision within the county.

2650 (b) If a county legislative body allocates the revenue as described in Subsection  
2651 (9)(a)(i), the county legislative body shall allocate not less than 25% of the revenue under  
2652 Subsection (7)(a)(ii) or (7)(b)(ii) to:

2653 (i) a public transit district for a city or town within the county that is annexed into a  
2654 single public transit district; or

2655 (ii) an eligible political subdivision within the county.

2656 (c) Notwithstanding Section 59-12-2208, the opinion question required by Section  
2657 59-12-2208 shall state the allocations the county legislative body makes in accordance with this  
2658 Subsection (9).

2659 (d) The commission shall make the distributions required by Subsection (7)(a)(ii) or  
2660 (7)(b)(ii) as follows:

2661 (i) the percentage specified by a county legislative body shall be distributed in  
2662 accordance with a resolution adopted by a county legislative body under Subsection (9)(a) to an

2663 eligible political subdivision or a public transit district within the county; and  
2664 (ii) except as provided in Subsection (9)(a)(ii), if a county legislative body allocates  
2665 less than 100% of the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) to a public transit district  
2666 or an eligible political subdivision, the remainder of the revenue under Subsection (7)(a)(ii) or  
2667 (7)(b)(ii) not allocated by a county legislative body through a resolution under Subsection  
2668 (9)(a) shall be distributed as follows:  
2669 (A) 50% of the revenue as provided in Subsection (8); and  
2670 (B) 50% of the revenue to the county legislative body.  
2671 (e) If a county legislative body seeks to change an allocation specified in a resolution  
2672 under Subsection (9)(a), the county legislative body may change the allocation by:  
2673 (i) adopting a resolution in accordance with Subsection (9)(a) specifying the percentage  
2674 of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a public transit  
2675 district or an eligible political subdivision;  
2676 (ii) obtaining approval to change the allocation of the sales and use tax by a majority of  
2677 all the members of the county legislative body; and  
2678 (iii) subject to Subsection (9)(f):  
2679 (A) in accordance with Section [59-12-2208](#), submitting an opinion question to the  
2680 county's registered voters voting on changing the allocation so that each registered voter has the  
2681 opportunity to express the registered voter's opinion on whether the allocation should be  
2682 changed; and  
2683 (B) in accordance with Section [59-12-2208](#), obtaining approval to change the  
2684 allocation from a majority of the county's registered voters voting on changing the allocation.  
2685 (f) Notwithstanding Section [59-12-2208](#), the opinion question required by Subsection  
2686 (9)(e)(iii)(A) shall state the allocations specified in the resolution adopted in accordance with  
2687 Subsection (9)(e) and approved by the county legislative body in accordance with Subsection  
2688 (9)(e)(ii).  
2689 (g) (i) If a county makes an allocation by adopting a resolution under Subsection (9)(a)  
2690 or changes an allocation by adopting a resolution under Subsection (9)(e), the allocation shall  
2691 take effect on the first distribution the commission makes under this section after a 90-day  
2692 period that begins on the date the commission receives written notice meeting the requirements  
2693 of Subsection (9)(g)(ii) from the county.

2694 (ii) The notice described in Subsection (9)(g)(i) shall state:

2695 (A) that the county will make or change the percentage of an allocation under  
2696 Subsection (9)(a) or (e); and

2697 (B) the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be  
2698 allocated to a public transit district or an eligible political subdivision.

2699 (10) (a) If a public transit district is organized after the date a county legislative body  
2700 first imposes a tax under this section, a change in a distribution required by this section may  
2701 not take effect until the first distribution the commission makes under this section after a  
2702 90-day period that begins on the date the commission receives written notice from the public  
2703 transit district of the organization of the public transit district.

2704 (b) If an eligible political subdivision intends to provide public transit service within a  
2705 county after the date a county legislative body first imposes a tax under this section, a change  
2706 in a distribution required by this section may not take effect until the first distribution the  
2707 commission makes under this section after a 90-day period that begins on the date the  
2708 commission receives written notice from the eligible political subdivision stating that the  
2709 eligible political subdivision intends to provide public transit service within the county.

2710 (11) A county, city, or town may expend revenue collected from a tax under this  
2711 section, except for revenue the commission distributes in accordance with Subsection (4)(a),  
2712 (5)(a)(i), (5)(b)(i), or (9)(d)(i) for:

2713 (a) a class B road;

2714 (b) a class C road;

2715 (c) traffic and pedestrian safety, including for a class B road or class C road, for:

2716 (i) a sidewalk;

2717 (ii) curb and gutter;

2718 (iii) a safety feature;

2719 (iv) a traffic sign;

2720 (v) a traffic signal;

2721 (vi) street lighting; or

2722 (vii) a combination of Subsections (11)(c)(i) through (vi);

2723 (d) the construction, maintenance, or operation of an active transportation facility that  
2724 is for nonmotorized vehicles and multimodal transportation and connects an origin with a



2725 destination;

2726 (e) public transit system services; or

2727 (f) a combination of Subsections (11)(a) through (e).

2728 (12) A public transit district or an eligible political subdivision may expend revenue  
2729 the commission distributes in accordance with Subsection (4)(a), (5)(a)(i), (5)(b)(i), or (9)(d)(i)  
2730 for capital expenses and service delivery expenses of the public transit district or eligible  
2731 political subdivision.

2732 (13) (a) Revenue collected from a sales and use tax under this section may not be used  
2733 to supplant existing general fund appropriations that a county, city, or town has budgeted for  
2734 transportation as of the date the tax becomes effective for a county, city, or town.

2735 (b) The limitation under Subsection (13)(a) does not apply to a designated  
2736 transportation capital or reserve account a county, city, or town may have established prior to  
2737 the date the tax becomes effective.

2738 (14) Notwithstanding Section 59-12-2208, a county legislative body may, but is not  
2739 required to, submit an opinion question to the county's registered voters in accordance with  
2740 Section 59-12-2208 to impose a sales and use tax under this section.

2741 Section 35. Section **59-28-103** is amended to read:

2742 **59-28-103. Imposition -- Rate -- Revenue distribution.**

2743 (1) Subject to the other provisions of this chapter, the state shall impose a tax on the  
2744 transactions described in Subsection 59-12-103(1)(i) at a rate of [~~.32%~~] 3%.

2745 (2) The tax imposed under this chapter is in addition to any other taxes imposed on the  
2746 transactions described in Subsection 59-12-103(1)(i).

2747 (3) (a) (i) Subject to Subsection (3)(a)(ii), the commission shall deposit 6% of the  
2748 revenue the state collects from the tax under this chapter into the Hospitality and Tourism  
2749 Management Education Account created in Section 53A-15-207 to fund the Hospitality and  
2750 Tourism Management Career and Technical Education Pilot Program created in Section  
2751 53A-15-206.

2752 (ii) The commission may not deposit more than \$300,000 into the Hospitality and  
2753 Tourism Management Education Account under Subsection (3)(a)(i) in a fiscal year.

2754 (b) Except for the amount deposited into the Hospitality and Tourism Management  
2755 Education Account under Subsection (3)(a) and the administrative charge retained under

2756 Subsection 59-28-104(4), the commission shall deposit ~~[any]~~ the revenue the state collects  
2757 from the tax under this chapter as follows:

2758 (i) an amount equal to the tax revenue generated by a .32% tax rate on the transactions  
2759 described in Subsection 59-12-103(1)(i) into the Outdoor Recreation Infrastructure Account  
2760 created in Section 63N-9-205 to fund the Outdoor Recreational Infrastructure Grant Program  
2761 created in Section 63N-9-202[-]; and

2762 (ii) an amount equal to the tax revenue generated by a 2.68% tax rate on the  
2763 transactions described in Subsection 59-12-103(1)(i) into the Public Transportation Capital  
2764 Investment Fund created in Section 72-2-124.

2765 Section 36. Section 63G-6a-1402 is amended to read:

2766 **63G-6a-1402. Procurement of design-build transportation project contracts.**

2767 (1) As used in this section:

2768 (a) "Design-build transportation project contract" means the procurement of both the  
2769 design and construction of a transportation project in a single contract with a company or  
2770 combination of companies capable of providing the necessary engineering services and  
2771 construction.

2772 (b) "Transportation agency" means:

2773 (i) the Department of Transportation;

2774 (ii) a county of the first or second class, as defined in Section 17-50-501;

2775 (iii) a municipality of the first class, as defined in Section 10-2-301;

2776 (iv) a large public transit district [~~that has more than 200,000 people residing within its~~  
2777 ~~boundaries~~] as defined in Section 17B-2a-802; and

2778 (v) a public airport authority.

2779 (2) Except as provided in Subsection (3), a transportation agency may award a  
2780 design-build transportation project contract for any transportation project that has an estimated  
2781 cost of at least \$50,000,000 by following the requirements of this section.

2782 (3) (a) The Department of Transportation:

2783 (i) may award a design-build transportation project contract for any transportation  
2784 project by following the requirements of this section; and

2785 (ii) shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative  
2786 Rulemaking Act, establishing requirements for the procurement of its design-build

2787 transportation project contracts in addition to those required by this section.

2788 (b) A public transit district that has more than 200,000 people residing within its  
2789 boundaries:

2790 (i) may award a design-build transportation project contract for any transportation  
2791 project by following the requirements of this section; and

2792 (ii) shall pass ordinances or a resolution establishing requirements for the procurement  
2793 of its design-build transportation project contracts in addition to those required by this section.

2794 (c) A design-build transportation project contract authorized under this Subsection (3)  
2795 is not subject to the estimated cost threshold described in Subsection (2).

2796 (d) A design-build transportation project contract may include provision by the  
2797 contractor of operations, maintenance, or financing.

2798 (4) (a) Before entering into a design-build transportation project contract, a  
2799 transportation agency may issue a request for qualifications to prequalify potential contractors.

2800 (b) Public notice of the request for qualifications shall be given in accordance with  
2801 board rules.

2802 (c) A transportation agency shall require, as part of the qualifications specified in the  
2803 request for qualifications, that potential contractors at least demonstrate their:

2804 (i) construction experience;

2805 (ii) design experience;

2806 (iii) financial, manpower, and equipment resources available for the project; and

2807 (iv) experience in other design-build transportation projects with attributes similar to  
2808 the project being procured.

2809 (d) The request for qualifications shall identify the number of eligible competing  
2810 proposers that the transportation agency will select to submit a proposal, which may not be less  
2811 than two.

2812 (5) The transportation agency shall:

2813 (a) evaluate the responses received from the request for qualifications;

2814 (b) select from their number those qualified to submit proposals; and

2815 (c) invite those respondents to submit proposals based upon the transportation agency's  
2816 request for proposals.

2817 (6) If the transportation agency fails to receive at least two qualified eligible competing

2818 proposals, the transportation agency shall readvertise the project.

2819 (7) The transportation agency shall issue a request for proposals to those qualified  
2820 respondents that:

2821 (a) includes a scope of work statement constituting an information for proposal that  
2822 may include:

2823 (i) preliminary design concepts;

2824 (ii) design criteria, needs, and objectives;

2825 (iii) warranty and quality control requirements;

2826 (iv) applicable standards;

2827 (v) environmental documents;

2828 (vi) constraints;

2829 (vii) time expectations or limitations;

2830 (viii) incentives or disincentives; and

2831 (ix) other special considerations;

2832 (b) requires submitters to provide:

2833 (i) a sealed cost proposal;

2834 (ii) a critical path matrix schedule, including cash flow requirements;

2835 (iii) proposal security; and

2836 (iv) other items required by the department for the project; and

2837 (c) may include award of a stipulated fee to be paid to offerors who submit  
2838 unsuccessful proposals.

2839 (8) The transportation agency shall:

2840 (a) evaluate the submissions received in response to the request for proposals from the  
2841 prequalified offerors;

2842 (b) comply with rules relating to discussion of proposals, best and final offers, and  
2843 evaluations of the proposals submitted; and

2844 (c) after considering price and other identified factors, award the contract to the  
2845 responsible offeror whose responsive proposal is most advantageous to the transportation  
2846 agency or the state.

2847 Section 37. Section **72-1-102** is amended to read:

2848 **72-1-102. Definitions.**

2849 As used in this title:

2850 (1) "Commission" means the Transportation Commission created under Section  
2851 72-1-301.

2852 (2) "Construction" means the construction, reconstruction, replacement, and  
2853 improvement of the highways, including the acquisition of rights-of-way and material sites.

2854 (3) "Department" means the Department of Transportation created in Section 72-1-201.

2855 (4) "Executive director" means the executive director of the department appointed  
2856 under Section 72-1-202.

2857 (5) "Farm tractor" has the meaning set forth in Section 41-1a-102.

2858 (6) "Federal aid primary highway" means that portion of connected main highways  
2859 located within this state officially designated by the department and approved by the United  
2860 States Secretary of Transportation under Title 23, Highways, U.S.C.

2861 (7) "Highway" means any public road, street, alley, lane, court, place, viaduct, tunnel,  
2862 culvert, bridge, or structure laid out or erected for public use, or dedicated or abandoned to the  
2863 public, or made public in an action for the partition of real property, including the entire area  
2864 within the right-of-way.

2865 (8) "Highway authority" means the department or the legislative, executive, or  
2866 governing body of a county or municipality.

2867 (9) "Implement of husbandry" has the meaning set forth in Section 41-1a-102.

2868 (10) "Interstate system" means any highway officially designated by the department  
2869 and included as part of the national interstate and defense highways, as provided in the Federal  
2870 Aid Highway Act of 1956 and any supplemental acts or amendments.

2871 (11) "Limited-access facility" means a highway especially designated for through  
2872 traffic, and over, from, or to which neither owners nor occupants of abutting lands nor other  
2873 persons have any right or easement, or have only a limited right or easement of access, light,  
2874 air, or view.

2875 (12) "Motor vehicle" has the same meaning set forth in Section 41-1a-102.

2876 (13) "Municipality" has the same meaning set forth in Section 10-1-104.

2877 (14) "National highway systems highways" means that portion of connected main  
2878 highways located within this state officially designated by the department and approved by the  
2879 United States Secretary of Transportation under Title 23, Highways, U.S.C.

2880 (15) (a) "Port-of-entry" means a fixed or temporary facility constructed, operated, and  
2881 maintained by the department where drivers, vehicles, and vehicle loads are checked or  
2882 inspected for compliance with state and federal laws as specified in Section 72-9-501.

2883 (b) "Port-of-entry" includes inspection and checking stations and weigh stations.

2884 (16) "Port-of-entry agent" means a person employed at a port-of-entry to perform the  
2885 duties specified in Section 72-9-501.

2886 (17) "Public transit facility" means a transit vehicle, transit station, depot, passenger  
2887 loading or unloading zone, parking lot, or other facility:

2888 (a) leased by or operated by or on behalf of a public transit district; and

2889 (b) related to the public transit services provided by the district, including:

2890 (i) railway or other right-of-way;

2891 (ii) railway line; and

2892 (iii) a reasonable area immediately adjacent to a designated stop on a route traveled by  
2893 a transit vehicle.

2894 [~~17~~] (18) "Right-of-way" means real property or an interest in real property, usually  
2895 in a strip, acquired for or devoted to a highway.

2896 [~~18~~] (19) "Sealed" does not preclude acceptance of electronically sealed and submitted  
2897 bids or proposals in addition to bids or proposals manually sealed and submitted.

2898 [~~19~~] (20) "Semitrailer" has the meaning set forth in Section 41-1a-102.

2899 [~~20~~] (21) "SR" means state route and has the same meaning as state highway as  
2900 defined in this section.

2901 [~~21~~] (22) "State highway" means those highways designated as state highways in  
2902 Title 72, Chapter 4, Designation of State Highways Act.

2903 [~~22~~] (23) "State highway purposes" has the meaning set forth in Section 72-5-102.

2904 [~~23~~] (24) "State transportation systems" means all streets, alleys, roads, highways,  
2905 and thoroughfares of any kind, including connected structures, airports, spaceports, public  
2906 transit facilities, and all other modes and forms of conveyance used by the public.

2907 [~~24~~] (25) "Trailer" has the meaning set forth in Section 41-1a-102.

2908 [~~25~~] (26) "Truck tractor" has the meaning set forth in Section 41-1a-102.

2909 [~~26~~] (27) "UDOT" means the Utah Department of Transportation.

2910 [~~27~~] (28) "Vehicle" has the same meaning set forth in Section 41-1a-102.

2911 Section 38. Section **72-1-202** is amended to read:

2912 **72-1-202. Executive director of department -- Appointment -- Qualifications --**  
 2913 **Term -- Responsibility -- Power to bring suits -- Salary.**

2914 (1) (a) The governor, after consultation with the commission and with the consent of  
 2915 the Senate, shall appoint an executive director to be the chief executive officer of the  
 2916 department.

2917 (b) The executive director shall be a qualified executive with technical and  
 2918 administrative experience and training appropriate for the position.

2919 (c) The executive director shall remain in office until a successor is appointed.

2920 (d) The executive director may be removed by the governor.

2921 (2) In addition to the other functions, powers, duties, rights, and responsibilities  
 2922 prescribed in this chapter, the executive director shall:

2923 (a) have responsibility for the administrative supervision of the state transportation  
 2924 systems and the various operations of the department;

2925 (b) have the responsibility for the implementation of rules, priorities, and policies  
 2926 established by the department and the commission;

2927 (c) have the responsibility for the oversight and supervision of any transportation  
 2928 project for which state funds are expended;

2929 ~~[(c)]~~ (d) have full power to bring suit in courts of competent jurisdiction in the name of  
 2930 the department as the executive director considers reasonable and necessary for the proper  
 2931 attainment of the goals of this chapter;

2932 ~~[(d)]~~ (e) receive a salary, to be established by the governor within the salary range fixed  
 2933 by the Legislature in Title 67, Chapter 22, State Officer Compensation, together with actual  
 2934 traveling expenses while away from the executive director's office on official business; and

2935 ~~[(e)]~~ (f) purchase all necessary equipment and supplies for the department.

2936 Section 39. Section **72-1-203** is amended to read:

2937 **72-1-203. Deputy director -- Appointment -- Qualifications -- Other assistants**  
 2938 **and advisers -- Salaries.**

2939 (1) The executive director shall appoint [~~a deputy director, who shall be a registered~~  
 2940 ~~professional engineer in the state and~~] two deputy directors, who shall serve at the discretion of  
 2941 the executive director.

2942 (2) (a) The deputy director of engineering and operations shall be a registered  
2943 professional engineer in the state and is the chief engineer of the department. The deputy  
2944 director of engineering and operations shall assist the executive director [and is responsible for]  
2945 with areas of responsibility including:

2946 [~~(a) program and project development; and~~]

2947 [~~(b) operation and maintenance of the state transportation systems.]~~

2948 (i) project development;

2949 (ii) oversight of the management of the region offices described in Section [72-1-205](#);

2950 (iii) management of operations; and

2951 (iv) oversight of operations of motor carriers and ports.

2952 (b) The deputy director of planning and investment shall assist the executive director  
2953 with areas of responsibility including:

2954 (i) oversight and coordination of planning, including:

2955 (A) development of statewide strategic initiatives for planning across all modes of  
2956 transportation;

2957 (B) coordination with metropolitan planning organizations and local governments; and

2958 (C) corridor and area planning;

2959 (ii) asset management;

2960 (iii) programming and prioritization of transportation projects;

2961 (iv) fulfilling requirements for environmental studies and impact statements; and

2962 (v) resource investment, including identification and development of public-private  
2963 partnership opportunities.

2964 (3) The executive director may also appoint assistants to administer the divisions of the  
2965 department. These assistants shall serve at the discretion of the executive director.

2966 (4) In addition, the executive director may employ other assistants and advisers as the  
2967 executive director finds necessary and fix salaries in accordance with the salary standards  
2968 adopted by the Department of Human Resource Management.

2969 Section 40. Section **72-1-204** is amended to read:

2970 **72-1-204. Divisions enumerated -- Duties.**

2971 The divisions of the department are:

2972 (1) the Comptroller Division responsible for:



- 2973 (a) all financial aspects of the department, including budgeting, accounting, and  
2974 contracting;
- 2975 (b) providing all material data and documentation necessary for effective fiscal  
2976 planning and programming; and
- 2977 (c) procuring administrative supplies;
- 2978 (2) the Internal Audit Division responsible for:
- 2979 (a) conducting and verifying all internal audits and reviews within the department;
- 2980 (b) performing financial and compliance audits to determine the allowability and  
2981 reasonableness of proposals, accounting records, and final costs of consultants, contractors,  
2982 utility companies, and other entities used by the department; and
- 2983 (c) implementing audit procedures that meet or exceed generally accepted auditing  
2984 standards relating to revenues, expenditures, and funding;
- 2985 (3) the Communications Division responsible for:
- 2986 (a) developing, managing, and implementing the department's public hearing processes  
2987 and programs;
- 2988 (b) responding to public complaints, requests, and input;
- 2989 (c) assisting the divisions and regions in the department's public involvement  
2990 programs;
- 2991 (d) developing and managing internal department communications; and
- 2992 (e) managing and overseeing department media relations;
- 2993 (4) the Program Development Division responsible for:
- 2994 (a) developing transportation plans for state transportation systems;
- 2995 (b) collecting, processing, and storing transportation data to support department's  
2996 engineering functions;
- 2997 (c) maintaining and operating the asset management systems;
- 2998 (d) designating state transportation systems qualifications;
- 2999 (e) developing a statewide transportation improvement program for approval by the  
3000 commission;
- 3001 (f) providing cartographic services to the department;
- 3002 (g) assisting local governments in participating in federal-aid transportation programs;
- 3003 and

- 3004 (h) providing research services associated with transportation programs;
- 3005 (5) the Project Development Division responsible for:
  - 3006 (a) developing statewide standards for project design and construction;
  - 3007 (b) providing support for project development in the areas of design environment,
  - 3008 right-of-way, materials testing, structures, value engineering, and construction; and
  - 3009 (c) designing specialty projects; [and]
  - 3010 (6) the Operations Division responsible for:
    - 3011 (a) maintaining the state transportation systems;
    - 3012 (b) state transportation systems safety;
    - 3013 (c) operating state ports-of-entry;
    - 3014 (d) operating state motor carrier safety programs in accordance with this title and
    - 3015 federal law;
    - 3016 (e) aeronautical operations;
    - 3017 (f) providing equipment for department engineering and maintenance functions; and
    - 3018 (g) risk management[-]; and
    - 3019 (7) the Planning and Investment Division responsible for:
      - 3020 (a) creating and managing an intermodal terminal facility to promote economic
      - 3021 development and investment;
      - 3022 (b) promoting strategies to synergize development of an intermodal inland port; and
      - 3023 (c) overseeing and coordinating public-private partnerships.

Section 41. Section **72-1-208** is amended to read:

**72-1-208. Cooperation with counties, cities, towns, the federal government, and all state departments -- Inspection of work done by a public transit district.**

(1) The department shall cooperate with the counties, cities, towns, and community reinvestment agencies in the construction, maintenance, and use of the highways and in all related matters, and may provide services to the counties, cities, towns, and community reinvestment agencies on terms mutually agreed upon.

(2) The department, with the approval of the governor, shall cooperate with the federal government in all federal-aid projects and with all state departments in all matters in connection with the use of the highways.

(3) The department:

3035 (a) shall inspect all work done by a public transit district under Title 17B, Chapter 2a,  
3036 Part 8, Public Transit District Act, relating to safety appliances and procedures; and

3037 (b) may make further additions or changes necessary for the purpose of safety to  
3038 employees and the general public.

3039 (4) (a) The department may assume responsibility for any public transit project that  
3040 traverses any portion of the state highway systems.

3041 (b) To determine whether the department will assume responsibility for a public transit  
3042 project, the executive director and the public transit agency proposing the development shall  
3043 jointly determine whether the department will assume responsibility.

3044 Section 42. Section **72-1-211** is amended to read:

3045 **72-1-211. Department to develop strategic initiatives -- Report -- Rulemaking.**

3046 (1) (a) The executive director shall develop statewide strategic initiatives [~~for the~~  
3047 ~~department~~] across all modes of transportation.

3048 (b) To develop the strategic initiatives described in Subsection (1)(a), the executive  
3049 director shall consult with the commission and relevant stakeholders, including:

3050 (i) metropolitan planning organizations;

3051 (ii) county and municipal governments;

3052 (iii) transit districts; and

3053 (iv) other transportation stakeholders.

3054 (c) To develop the strategic initiatives described in Subsection (1)(a), the executive  
3055 director shall consider:

3056 (i) regional transportation plans developed by metropolitan planning organizations;

3057 (ii) local transportation plans developed by county and municipal governments;

3058 (iii) public transit plans developed by public transit districts; and

3059 (iv) other relevant transportation plans developed by other stakeholders.

3060 (d) To develop the strategic initiatives described in Subsection (1)(a), the executive  
3061 director shall consider projected major centers of economic activity, population growth, and  
3062 job centers.

3063 (2) (a) The strategic initiatives developed under Subsection (1) shall include  
3064 consideration of the following factors:

3065 [~~(a)~~] (i) corridor preservation;

- 3066 (ii) congestion reduction;
- 3067 (iii) economic development and job creation;
- 3068 (iv) asset management;
- 3069 (v) sustainability;
- 3070 (vi) optimization of return on investment;
- 3071 ~~[(b)]~~ (vii) development of new transportation capacity projects;
- 3072 ~~[(c)]~~ (viii) long-term maintenance and operations of the transportation system;
- 3073 ~~[(d)]~~ (ix) safety;
- 3074 ~~[(e)]~~ (x) incident management; [and]
- 3075 ~~[(f)]~~ (xi) homeland security[.];
- 3076 (xii) mobility and access; and
- 3077 (xiii) transportation related air quality.
- 3078 (b) The strategic initiatives shall include an assessment of capacity needs and establish
- 3079 goals for corridors that meet all of the following:
- 3080 (i) high volume of travel and throughput;
- 3081 (ii) connection of projected major centers of economic activity, population growth, and
- 3082 future job centers;
- 3083 (iii) major freight corridors; and
- 3084 (iv) corridors accommodating multiple modes of travel.
- 3085 (3) (a) The executive director or the executive director's designee shall report the
- 3086 strategic initiatives of the department developed under Subsection (1) to the Transportation
- 3087 Commission and, before December 1 of each year, the Transportation Interim Committee.
- 3088 (b) The report required under Subsection (3)(a) shall include the measure that will be
- 3089 used to determine whether the strategic initiatives have been achieved.
- 3090 (4) After compliance with Subsection (3) and in accordance with Title 63G, Chapter 3,
- 3091 Utah Administrative Rulemaking Act, the department shall make rules establishing the
- 3092 strategic initiatives developed under this part.
- 3093 (5) The executive director shall ensure that the strategic initiatives developed under
- 3094 Subsection (1):
- 3095 (a) are reviewed and updated as needed, but no less frequent than every four years; and
- 3096 (b) cover at least a 20-year horizon.

3097 Section 43. Section **72-1-213** is amended to read:

3098 **72-1-213. Road usage charge study -- Recommendations.**

3099 (1) (a) The department shall ~~[(1) continue to]~~ study a road usage charge mileage-based  
3100 revenue system, including a ~~[potential]~~ demonstration program, as an alternative to the motor  
3101 and special tax~~;~~ and~~].~~

3102 ~~[(2) make recommendations to the Legislature and other policymaking bodies on the~~  
3103 ~~potential use and future implementation of a road usage charge within the state.]~~

3104 (b) The demonstration program may consider:

3105 (i) the necessity of protecting all personally identifiable information used in reporting  
3106 highway use;

3107 (ii) alternatives to recording and reporting highway use;

3108 (iii) alternatives to administration of a road usage charge program; and

3109 (iv) other factors as determined by the department.

3110 (2) (a) The department shall create a Road Usage Charge Advisory Committee to assist  
3111 the department to conduct a road usage charge demonstration program.

3112 (b) The executive director shall appoint members of the committee, considering  
3113 individuals with experience and expertise in the following areas:

3114 (i) telecommunications;

3115 (ii) data security and privacy;

3116 (iii) privacy rights advocacy organizations;

3117 (iv) transportation agencies with technical expertise;

3118 (v) national research;

3119 (vi) members of the Legislature;

3120 (vii) representatives from the State Tax Commission; and

3121 (viii) other relevant stakeholders as determined by the executive director.

3122 (c) The executive director or the executive director's designee shall serve as chair of the  
3123 committee.

3124 (d) A member of the committee may not receive compensation or benefits for the  
3125 member's service, but may receive per diem and travel expenses in accordance with:

3126 (i) Section [63A-3-106](#);

3127 (ii) Section [63A-3-107](#); and

3128 (iii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
3129 63A-3-107.

3130 (e) The department shall provide staff support to the committee.

3131 (3) (a) Beginning in 2019, and no later than September 30 of each year, the department  
3132 shall prepare and submit a report of its findings based on the results of the road usage charge  
3133 demonstration program to the:

3134 (i) Road Usage Charge Advisory Committee created under Subsection (2);

3135 (ii) Transportation Commission;

3136 (iii) Transportation Interim Committee of the Legislature; and

3137 (iv) Revenue and Taxation Interim Committee of the Legislature.

3138 (b) The report shall review the following issues:

3139 (i) cost;

3140 (ii) privacy, including recommendations regarding public and private access, including  
3141 by law enforcement, to data collected and stored for purposes of the road usage charge to  
3142 ensure individual privacy rights are protected;

3143 (iii) jurisdictional issues;

3144 (iv) feasibility;

3145 (v) complexity;

3146 (vi) acceptance;

3147 (vii) use of revenues;

3148 (viii) security and compliance, including a discussion of processes and security  
3149 measures necessary to minimize fraud and tax evasion rates;

3150 (ix) data collection technology, including a discussion of the advantages and  
3151 disadvantages of various types of data collection equipment and the privacy implications and  
3152 considerations of the equipment;

3153 (x) potential for additional driver services;

3154 (xi) evaluation of necessary framework for an owner of an electric powered vehicle to  
3155 either pay a higher registration fee or participate in a road user charge program; and

3156 (xii) implementation issues.

3157 (c) The report may make recommendations to the Legislature and other policymaking  
3158 bodies on the potential use and future implementation of a road usage charge within the state.

3159 Section 44. Section **72-1-303** is amended to read:

3160 **72-1-303. Duties of commission.**

3161 (1) The commission has the following duties:

3162 (a) determining priorities and funding levels of projects in the state transportation  
3163 systems and capital development of new public transit facilities for each fiscal year based on  
3164 project lists compiled by the department;

3165 (b) determining additions and deletions to state highways under Chapter 4, Designation  
3166 of State Highways Act;

3167 (c) holding public hearings and otherwise providing for public input in transportation  
3168 matters;

3169 (d) making policies and rules in accordance with Title 63G, Chapter 3, Utah  
3170 Administrative Rulemaking Act, necessary to perform the commission's duties described under  
3171 this section;

3172 (e) in accordance with Section **63G-4-301**, reviewing orders issued by the executive  
3173 director in adjudicative proceedings held in accordance with Title 63G, Chapter 4,  
3174 Administrative Procedures Act;

3175 (f) advising the department in state transportation systems policy;

3176 (g) approving settlement agreements of condemnation cases subject to Section  
3177 **63G-10-401**;

3178 (h) in accordance with Section **17B-2a-807**, appointing a commissioner to serve as a  
3179 nonvoting, ex officio member or a voting member on the board of trustees of a public transit  
3180 district;

3181 (i) in accordance with Section **17B-2a-808**, reviewing, at least annually, the short-term  
3182 and long-range public transit plans; and

3183 (j) reviewing administrative rules made, amended, or repealed by the department.

3184 (2) (a) For projects prioritized with funding provided under Sections **72-2-124** and  
3185 **72-2-125**, the commission shall annually report to a committee designated by the Legislative  
3186 Management Committee:

3187 (i) a prioritized list of the new transportation capacity projects in the state  
3188 transportation system and the funding levels available for those projects; and

3189 (ii) the unfunded highway construction and maintenance needs within the state.

3190 (b) The committee designated by the Legislative Management Committee under  
3191 Subsection (2)(a) shall:

3192 (i) review the list reported by the Transportation Commission; and

3193 (ii) make a recommendation to the Legislature on:

3194 (A) the amount of additional funding to allocate to transportation; and

3195 (B) the source of revenue for the additional funding allocation under Subsection  
3196 (2)(b)(ii)(A).

3197 (3) The commission shall review and may approve plans for the construction of a  
3198 highway facility over sovereign lakebed lands in accordance with Chapter 6, Part 3, Approval  
3199 of Highway Facilities on Sovereign Lands Act.

3200 Section 45. Section **72-1-304** is amended to read:

3201 **72-1-304. Written project prioritization process for new transportation capacity**  
3202 **projects -- Rulemaking.**

3203 (1) (a) The Transportation Commission, in consultation with the department and the  
3204 metropolitan planning organizations as defined in Section [72-1-208.5](#), shall develop a written  
3205 prioritization process for the prioritization of new transportation capacity projects that are or  
3206 will be part of the state highway system under Chapter 4, Part 1, State Highways, or public  
3207 transit projects that add capacity to the public transit systems within the state.

3208 (b) (i) A local government or district may nominate a project for prioritization.

3209 (ii) If a local government or district nominates a project for prioritization by the  
3210 commission, the local government or district shall provide data and evidence to show that:

3211 (A) the project will advance the purposes and goals described in Section [72-1-211](#); and

3212 (B) the local government or district has an ongoing funding source for operations and  
3213 maintenance of the proposed development.

3214 (2) The following shall be included in the written prioritization process under  
3215 Subsection (1):

3216 (a) a description of how the strategic initiatives of the department adopted under  
3217 Section [72-1-211](#) are advanced by the written prioritization process;

3218 (b) a definition of the type of projects to which the written prioritization process  
3219 applies;

3220 (c) specification of a weighted criteria system that is used to rank proposed projects



- 3221 and how it will be used to determine which projects will be prioritized;
- 3222 (d) specification of the data that is necessary to apply the weighted ranking criteria; and
- 3223 (e) any other provisions the commission considers appropriate[-], which may include
- 3224 consideration of:
- 3225 (i) regional and statewide economic development impacts, including improved local
- 3226 access to:
- 3227 (A) employment;
- 3228 (B) recreation;
- 3229 (C) commerce; and
- 3230 (D) residential areas; and
- 3231 (ii) the extent to which local land use plans relevant to a project support and
- 3232 accomplish the strategic initiatives adopted under Section [72-1-211](#).
- 3233 (3) In developing the written prioritization process, the commission:
- 3234 (a) shall seek and consider public comment by holding public meetings at locations
- 3235 throughout the state; and
- 3236 (b) may not consider local matching dollars as provided under Section [72-2-123](#) unless
- 3237 the state provides an equal opportunity to raise local matching dollars for state highway
- 3238 improvements within each county.
- 3239 (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 3240 Transportation Commission, in consultation with the department, shall make rules establishing
- 3241 the written prioritization process under Subsection (1).
- 3242 (5) The commission shall submit the proposed rules under this section to a committee
- 3243 or task force designated by the Legislative Management Committee for review prior to taking
- 3244 final action on the proposed rules or any proposed amendment to the rules described in
- 3245 Subsection (4).
- 3246 Section 46. Section **72-1-305** is amended to read:
- 3247 **72-1-305. Project selection using the written prioritization process -- Public**
- 3248 **comment -- Report.**
- 3249 (1) Except as provided in Subsection (4), in determining priorities and funding levels
- 3250 of projects in the state transportation system under Subsection [72-1-303](#)(1)(a) that are new
- 3251 transportation capacity projects, the commission shall use the weighted criteria system adopted

3252 in the written prioritization process under Section 72-1-304.

3253 (2) Prior to finalizing priorities and funding levels of projects in the state transportation  
3254 system, the commission shall conduct public hearings at locations around the state and accept  
3255 public comments on:

3256 (a) the written prioritization process;

3257 (b) the merits of new transportation capacity projects that will be prioritized under this  
3258 section; and

3259 (c) the merits of new transportation capacity projects as recommended by a consensus  
3260 of local elected officials participating in a metropolitan planning organization as defined in  
3261 Section 72-1-208.5.

3262 (3) The commission shall make the weighted criteria system ranking for each project  
3263 publicly available prior to the public hearings held under Subsection (2).

3264 (4) (a) If the commission prioritizes a project over another project with a higher rank  
3265 under the weighted criteria system, the commission shall identify the change and accept public  
3266 comment at a hearing held under this section on the merits of prioritizing the project above  
3267 higher ranked projects.

3268 (b) The commission shall make the reasons for the prioritization under Subsection  
3269 (4)(a) publicly available.

3270 (5) The executive director or the executive director's designee shall report annually to  
3271 the governor and a committee designated by the Legislative Management Committee no later  
3272 than the last day of October:

3273 (a) the projects prioritized under this section during the year prior to the report; and

3274 (b) the status and progress of all projects prioritized under this section.

3275 (6) (a) The department may not delay a new transportation or public transit capacity  
3276 project that was funded by the Legislature in an appropriations act to a different fiscal year than  
3277 programmed by the commission due to an unavoidable shortfall in revenues unless the project  
3278 delays are prioritized and approved by the Transportation Commission.

3279 (b) The Transportation Commission shall prioritize and approve any new  
3280 transportation or public transit capacity project delays for projects that were funded by the  
3281 Legislature in an appropriations act due to an unavoidable shortfall in revenues.

3282 Section 47. Section 72-2-117.5 is amended to read:

3283           **72-2-117.5. Definitions -- Local Highway and Transportation Corridor**  
3284 **Preservation Fund -- Disposition of fund money.**  
3285           (1) As used in this section:  
3286           (a) "Council of governments" means a decision-making body in each county composed  
3287 of membership including the county governing body and the mayors of each municipality in the  
3288 county.  
3289           (b) "Metropolitan planning organization" has the same meaning as defined in Section  
3290 [72-1-208.5](#).  
3291           (2) There is created the Local Highway and Transportation Corridor Preservation Fund  
3292 within the Transportation Fund.  
3293           (3) The fund shall be funded from the following sources:  
3294           (a) a local option highway construction and transportation corridor preservation fee  
3295 imposed under Section [41-1a-1222](#);  
3296           (b) appropriations made to the fund by the Legislature;  
3297           (c) contributions from other public and private sources for deposit into the fund;  
3298           (d) all money collected from rents and sales of real property acquired with fund money;  
3299           (e) proceeds from general obligation bonds, revenue bonds, or other obligations issued  
3300 as authorized by Title 63B, Bonds;  
3301           (f) the portion of the sales and use tax described in Subsection [59-12-2217\(2\)\(b\)](#) and  
3302 required by Subsection [59-12-2217\(8\)\(a\)](#) to be deposited into the fund; and  
3303           (g) sales and use tax revenues deposited into the fund in accordance with Section  
3304 [59-12-2218](#).  
3305           (4) (a) The fund shall earn interest.  
3306           (b) All interest earned on fund money shall be deposited into the fund.  
3307           (c) The State Tax Commission shall allocate the revenues:  
3308           (i) provided under Subsection (3)(a) to each county imposing a local option highway  
3309 construction and transportation corridor preservation fee under Section [41-1a-1222](#);  
3310           (ii) provided under Subsection [59-12-2217\(2\)\(b\)](#) to each county imposing a county  
3311 option sales and use tax for transportation; and  
3312           (iii) provided under Subsection (3)(g) to each county of the second class or city or town  
3313 within a county of the second class that imposes the sales and use tax authorized by Section

3314 59-12-2218.

3315 (d) The department shall distribute the funds allocated to each county, city, or town  
3316 under Subsection (4)(c) to each county, city, or town.

3317 (e) The money allocated and distributed under this Subsection (4):

3318 (i) shall be used for the purposes provided in this section for each county, city, or town;

3319 (ii) is allocated to each county, city, or town as provided in this section with the  
3320 condition that the state will not be charged for any asset purchased with the money allocated  
3321 and distributed under this Subsection (4), unless there is a written agreement in place with the  
3322 department prior to the purchase of the asset stipulating a reimbursement by the state to the  
3323 county, city, or town of no more than the original purchase price paid by the county, city, or  
3324 town; and

3325 (iii) is considered a local matching contribution for the purposes described under  
3326 Section 72-2-123 if used on a state highway.

3327 (f) Administrative costs of the department to implement this section shall be paid from  
3328 the fund.

3329 (5) (a) A highway authority may acquire real property or any interests in real property  
3330 for state, county, and municipal highway or public transit corridors subject to:

3331 (i) money available in the fund to each county under Subsection (4); and

3332 (ii) the provisions of this section.

3333 (b) Fund money may be used to pay interest on debts incurred in accordance with this  
3334 section.

3335 (c) (i) (A) Fund money may be used to pay maintenance costs of properties acquired  
3336 under this section but limited to a total of 5% of the purchase price of the property.

3337 (B) Any additional maintenance cost shall be paid from funds other than under this  
3338 section.

3339 (C) Revenue generated by any property acquired under this section is excluded from  
3340 the limitations under this Subsection (5)(c)(i).

3341 (ii) Fund money may be used to pay direct costs of acquisition of properties acquired  
3342 under this section.

3343 (d) Fund money allocated and distributed under Subsection (4) may be used by a  
3344 county highway authority for countywide transportation or public transit planning if:

- 3345 (i) the county's planning focus area is outside the boundaries of a metropolitan  
3346 planning organization;
- 3347 (ii) the transportation planning is part of the county's continuing, cooperative, and  
3348 comprehensive process for transportation or public transit planning, corridor preservation,  
3349 right-of-way acquisition, and project programming;
- 3350 (iii) no more than four years allocation every 20 years to each county is used for  
3351 transportation planning under this Subsection (5)(d); and
- 3352 (iv) the county otherwise qualifies to use the fund money as provided under this  
3353 section.
- 3354 (e) (i) Subject to Subsection (11), fund money allocated and distributed under  
3355 Subsection (4) may be used by a county highway authority for transportation or public transit  
3356 corridor planning that is part of the corridor elements of an ongoing work program of  
3357 transportation or public transit projects.
- 3358 (ii) The transportation corridor planning under Subsection (5)(e)(i) shall be under the  
3359 direction of:
- 3360 (A) the metropolitan planning organization if the county is within the boundaries of a  
3361 metropolitan planning organization; or
- 3362 (B) the department if the county is not within the boundaries of a metropolitan  
3363 planning organization.
- 3364 (f) (i) A county, city, or town that imposes a local option highway construction and  
3365 transportation corridor preservation fee under Section [41-1a-1222](#) may elect to administer the  
3366 funds allocated and distributed to that county, city, or town under Subsection (4) as a revolving  
3367 loan fund.
- 3368 (ii) If a county, city, or town elects to administer the funds allocated and distributed to  
3369 that county, city, or town under Subsection (4) as a revolving loan fund, a local highway  
3370 authority shall repay the fund money authorized for the project to the fund.
- 3371 (iii) A county, city, or town that elects to administer the funds allocated and distributed  
3372 to that county, city, or town under Subsection (4) as a revolving loan fund shall establish  
3373 repayment conditions of the money to the fund from the specified project funds.
- 3374 (g) (i) Subject to the restrictions in Subsections (5)(g)(ii) and (iii), fund money may be  
3375 used by a county of the third, fourth, fifth, or sixth class or by a city or town within a county of

3376 the third, fourth, fifth, or sixth class for:

3377 (A) the construction, operation, or maintenance of a class B road or class C road; or

3378 (B) the restoration or repair of survey monuments associated with transportation

3379 infrastructure.

3380 (ii) A county, city, or town may not use more than 50% of the current balance of fund  
3381 money allocated to the county, city, or town for the purposes described in Subsection (5)(g)(i).

3382 (iii) A county, city, or town may not use more than 50% of the fund revenue collections  
3383 allocated to a county, city, or town in the current fiscal year for the purposes described in  
3384 Subsection (5)(g)(i).

3385 (6) (a) (i) The Local Highway and Transportation Corridor Preservation Fund shall be  
3386 used to preserve highway and public transit corridors, promote long-term statewide  
3387 transportation planning, save on acquisition costs, and promote the best interests of the state in  
3388 a manner which minimizes impact on prime agricultural land.

3389 (ii) The Local Highway and Transportation Corridor Preservation Fund shall only be  
3390 used to preserve a highway or public transit corridor that is right-of-way:

3391 (A) in a county of the first or second class for:

3392 (I) a state highway;

3393 (II) a principal arterial highway as defined in Section [72-4-102.5](#);

3394 (III) a minor arterial highway as defined in Section [72-4-102.5](#); [~~or~~]

3395 (IV) a collector highway in an urban area as defined in Section [72-4-102.5](#); or

3396 (V) a transit facility as defined in Section [17B-2a-802](#); or

3397 (B) in a county of the third, fourth, fifth, or sixth class for:

3398 (I) a state highway;

3399 (II) a principal arterial highway as defined in Section [72-4-102.5](#);

3400 (III) a minor arterial highway as defined in Section [72-4-102.5](#);

3401 (IV) a major collector highway as defined in Section [72-4-102.5](#); [~~or~~]

3402 (V) a minor collector road as defined in Section [72-4-102.5](#)[-]; or

3403 (VI) a transit facility as defined in Section [17B-2a-802](#).

3404 (iii) The Local Highway and Transportation Corridor Preservation Fund may not be  
3405 used for a highway corridor that is primarily a recreational trail as defined under Section  
3406 [79-5-102](#).

- 3407 (b) A highway authority shall authorize the expenditure of fund money after  
3408 determining that the expenditure is being made in accordance with this section from  
3409 applications that are:
- 3410 (i) endorsed by the council of governments; and
  - 3411 (ii) for a right-of-way purchase for a highway or public transit corridor authorized  
3412 under Subsection (6)(a)(ii).
- 3413 (7) (a) (i) A council of governments shall establish a council of governments  
3414 endorsement process which includes prioritization and application procedures for use of the  
3415 money allocated to each county under this section.
- 3416 (ii) The endorsement process under Subsection (7)(a)(i) may include review or  
3417 endorsement of the preservation project by:
    - 3418 (A) the metropolitan planning organization if the county is within the boundaries of a  
3419 metropolitan planning organization; or
    - 3420 (B) the department if the county is not within the boundaries of a metropolitan  
3421 planning organization.
- 3422 (b) All fund money shall be prioritized by each highway authority and council of  
3423 governments based on considerations, including:
- 3424 (i) areas with rapidly expanding population;
  - 3425 (ii) the willingness of local governments to complete studies and impact statements  
3426 that meet department standards;
  - 3427 (iii) the preservation of corridors by the use of local planning and zoning processes;
  - 3428 (iv) the availability of other public and private matching funds for a project;
  - 3429 (v) the cost-effectiveness of the preservation projects;
  - 3430 (vi) long and short-term maintenance costs for property acquired; and
  - 3431 (vii) whether the transportation or public transit corridor is included as part of:
    - 3432 (A) the county and municipal master plan; and
    - 3433 (B) (I) the statewide long range plan; or  
3434 (II) the regional transportation plan of the area metropolitan planning organization if  
3435 one exists for the area.
- 3436 (c) The council of governments shall:
- 3437 (i) establish a priority list of highway and public transit corridor preservation projects

3438 within the county;

3439 (ii) submit the list described in Subsection (7)(c)(i) to the county's legislative body for  
3440 approval; and

3441 (iii) obtain approval of the list described in Subsection (7)(c)(i) from a majority of the  
3442 members of the county legislative body.

3443 (d) A county's council of governments may only submit one priority list described in  
3444 Subsection (7)(c)(i) per calendar year.

3445 (e) A county legislative body may only consider and approve one priority list described  
3446 in Subsection (7)(c)(i) per calendar year.

3447 (8) (a) Unless otherwise provided by written agreement with another highway authority  
3448 or public transit district, the highway authority that holds the deed to the property is responsible  
3449 for maintenance of the property.

3450 (b) The transfer of ownership for property acquired under this section from one  
3451 highway authority to another shall include a recorded deed for the property and a written  
3452 agreement between the highway authorities or public transit district.

3453 (9) (a) The proceeds from any bonds or other obligations secured by revenues of the  
3454 Local Highway and Transportation Corridor Preservation Fund shall be used for the purposes  
3455 authorized for funds under this section.

3456 (b) The highway authority shall pledge the necessary part of the revenues of the Local  
3457 Highway and Transportation Corridor Preservation Fund to the payment of principal and  
3458 interest on the bonds or other obligations.

3459 (10) (a) A highway authority may not expend money under this section to purchase a  
3460 right-of-way for a state highway unless the highway authority has:

3461 (i) a transportation corridor property acquisition policy or ordinance in effect that  
3462 meets department requirements for the acquisition of real property or any interests in real  
3463 property under this section; and

3464 (ii) an access management policy or ordinance in effect that meets the requirements  
3465 under Subsection [72-2-117](#)(8).

3466 (b) The provisions of Subsection (10)(a)(i) do not apply if the highway authority has a  
3467 written agreement with the department for the department to acquire real property or any  
3468 interests in real property on behalf of the local highway authority under this section.



3469 (11) The county shall ensure, to the extent possible, that the fund money allocated and  
3470 distributed to a city or town in accordance with Subsection (4) is expended:

3471 (a) to fund a project or service as allowed by this section within the city or town to  
3472 which the fund money is allocated;

3473 (b) to pay debt service, principal, or interest on a bond or other obligation as allowed  
3474 by this section if that bond or other obligation is:

3475 (i) secured by money allocated to the city or town; and

3476 (ii) issued to finance a project or service as allowed by this section within the city or  
3477 town to which the fund money is allocated;

3478 (c) to fund transportation planning as allowed by this section within the city or town to  
3479 which the fund money is allocated; or

3480 (d) for another purpose allowed by this section within the city or town to which the  
3481 fund money is allocated.

3482 (12) Notwithstanding any other provision in this section, any amounts within the fund  
3483 allocated to a public transit district or for a public transit corridor may only be derived from the  
3484 portion of the fund that does not include constitutionally restricted sources related to the  
3485 operation of a motor vehicle or proceeds from an excise tax on liquid motor fuel to propel a  
3486 motor vehicle.

3487 Section 48. Section **72-2-121** is amended to read:

3488 **72-2-121. County of the First Class Highway Projects Fund.**

3489 (1) There is created a special revenue fund within the Transportation Fund known as  
3490 the "County of the First Class Highway Projects Fund."

3491 (2) The fund consists of money generated from the following revenue sources:

3492 (a) any voluntary contributions received for new construction, major renovations, and  
3493 improvements to highways within a county of the first class;

3494 (b) the portion of the sales and use tax described in Subsection 59-12-2214(3)(b)  
3495 deposited in or transferred to the fund;

3496 (c) the portion of the sales and use tax described in Subsection 59-12-2217(2)(b) and  
3497 required by Subsection 59-12-2217(8)(b) to be deposited in or transferred to the fund; and

3498 (d) a portion of the local option highway construction and transportation corridor  
3499 preservation fee imposed in a county of the first class under Section 41-1a-1222 deposited in or

3500 transferred to the fund.

3501 (3) (a) The fund shall earn interest.

3502 (b) All interest earned on fund money shall be deposited into the fund.

3503 (4) The executive director shall use the fund money only:

3504 (a) to pay debt service and bond issuance costs for bonds issued under Sections

3505 [63B-16-102](#), [63B-18-402](#), and [63B-27-102](#);

3506 (b) for right-of-way acquisition, new construction, major renovations, and

3507 improvements to highways within a county of the first class and to pay any debt service and

3508 bond issuance costs related to those projects, including improvements to a highway located

3509 within a municipality in a county of the first class where the municipality is located within the

3510 boundaries of more than a single county;

3511 (c) for the construction, acquisition, use, maintenance, or operation of:

3512 (i) an active transportation facility for nonmotorized vehicles;

3513 (ii) multimodal transportation that connects an origin with a destination; or

3514 (iii) a facility that may include a:

3515 (A) pedestrian or nonmotorized vehicle trail;

3516 (B) nonmotorized vehicle storage facility;

3517 (C) pedestrian or vehicle bridge; or

3518 (D) vehicle parking lot or parking structure;

3519 (d) for fiscal year 2012-13 only, to pay for or to provide funds to a municipality or

3520 county to pay for a portion of right-of-way acquisition, construction, reconstruction,

3521 renovations, and improvements to highways described in Subsections [72-2-121.4\(7\)](#), (8), and

3522 (9);

3523 (e) to transfer to the 2010 Salt Lake County Revenue Bond Sinking Fund created by

3524 Section [72-2-121.3](#) the amount required in Subsection [72-2-121.3\(4\)\(c\)](#) minus the amounts

3525 transferred in accordance with Subsection [72-2-124\(4\)\(a\)](#)~~(iv)~~(v);

3526 (f) for a fiscal year beginning on or after July 1, 2013, to pay debt service and bond

3527 issuance costs for \$30,000,000 of the bonds issued under Section [63B-18-401](#) for the projects

3528 described in Subsection [63B-18-401\(4\)\(a\)](#);

3529 (g) for a fiscal year beginning on or after July 1, 2013, and after the department has

3530 verified that the amount required under Subsection [72-2-121.3\(4\)\(c\)](#) is available in the fund, to

3531 transfer an amount equal to 50% of the revenue generated by the local option highway  
3532 construction and transportation corridor preservation fee imposed under Section [41-1a-1222](#) in  
3533 a county of the first class:

3534 (i) to the legislative body of a county of the first class; and

3535 (ii) to be used by a county of the first class for:

3536 (A) highway construction, reconstruction, or maintenance projects; or

3537 (B) the enforcement of state motor vehicle and traffic laws;

3538 (h) for fiscal year 2015 only, and after the department has verified that the amount

3539 required under Subsection [72-2-121.3\(4\)\(c\)](#) is available in the fund and the transfer under

3540 Subsection (4)(f) has been made, to transfer an amount equal to the remainder of the revenue

3541 available in the fund for the 2015 fiscal year:

3542 (i) to the legislative body of a county of the first class; and

3543 (ii) to be used by a county of the first class for:

3544 (A) highway construction, reconstruction, or maintenance projects; or

3545 (B) the enforcement of state motor vehicle and traffic laws;

3546 (i) for fiscal year 2015-16 only, and after the department has verified that the amount

3547 required under Subsection [72-2-121.3\(4\)\(c\)](#) is available in the fund and the transfer under

3548 Subsection (4)(f) has been made, to transfer an amount equal to \$25,000,000:

3549 (i) to the legislative body of a county of the first class; and

3550 (ii) to be used by the county for the purposes described in this section;

3551 (j) for a fiscal year beginning on or after July 1, 2015, after the department has verified

3552 that the amount required under Subsection [72-2-121.3\(4\)\(c\)](#) is available in the fund and the

3553 transfer under Subsection (4)(f) has been made, to annually transfer an amount equal to up to

3554 42.5% of the sales and use tax revenue imposed in a county of the first class and deposited into

3555 the fund in accordance with Subsection [59-12-2214\(3\)\(b\)](#) to:

3556 (i) the appropriate debt service or sinking fund for the repayment of bonds issued under

3557 Section [63B-27-102](#); and

3558 (ii) the Transportation Investment Fund of 2005 created in Section [72-2-124](#) until

3559 \$28,079,000 has been deposited into the Transportation Investment Fund of 2005; and

3560 (k) for a fiscal year beginning after the amount described in Subsection (4)(j) has been

3561 repaid to the Transportation Investment Fund of 2005 until fiscal year 2030, after the

3562 department has verified that the amount required under Subsection 72-2-121.3(4)(c) is  
3563 available in the fund and the transfer under Subsection (4)(f) has been made, and after the  
3564 bonds under Section 63B-27-102 have been repaid, to annually transfer an amount equal to up  
3565 to 42.5% of the sales and use tax revenue imposed in a county of the first class and deposited  
3566 into the fund in accordance with Subsection 59-12-2214(3)(b):

3567 (i) to the legislative body of a county of the first class; and

3568 (ii) to be used by the county for the purposes described in this section.

3569 (5) The revenues described in Subsections (2)(b), (c), and (d) that are deposited in the  
3570 fund and bond proceeds from bonds issued under Sections 63B-16-102, 63B-18-402, and  
3571 63B-27-102 are considered a local matching contribution for the purposes described under  
3572 Section 72-2-123.

3573 (6) The additional administrative costs of the department to administer this fund shall  
3574 be paid from money in the fund.

3575 (7) Notwithstanding any statutory or other restrictions on the use or expenditure of the  
3576 revenue sources deposited into this fund, the Department of Transportation may use the money  
3577 in this fund for any of the purposes detailed in Subsection (4).

3578 Section 49. Section 72-2-121.3 is amended to read:

3579 **72-2-121.3. Special revenue fund -- 2010 Salt Lake County Revenue Bond**  
3580 **Sinking Fund.**

3581 (1) There is created a special revenue fund within the County of the First Class  
3582 Highway Projects Fund entitled "2010 Salt Lake County Revenue Bond Sinking Fund."

3583 (2) The fund consists of:

3584 (a) money transferred into the fund from the County of the First Class Highway  
3585 Projects Fund in accordance with Subsection 72-2-121(4)(e); and

3586 (b) for a fiscal year beginning on or after July 1, 2013, money transferred into the fund  
3587 from the Transportation Investment Fund of 2005 in accordance with Subsection  
3588 72-2-124(4)(a)[(iv)](v).

3589 (3) (a) The fund shall earn interest.

3590 (b) All interest earned on fund money shall be deposited into the fund.

3591 (4) (a) The director of the Division of Finance may use fund money only as provided in  
3592 this section.

3593 (b) The director of the Division of Finance may not distribute any money from the fund  
3594 under this section until the director has received a formal opinion from the attorney general that  
3595 Salt Lake County has entered into a binding agreement with the state of Utah containing all of  
3596 the terms required by Section 72-2-121.4.

3597 (c) Except as provided in Subsection (4)(b), and until the bonds issued by Salt Lake  
3598 County as provided in the interlocal agreement required by Section 72-2-121.4 are paid off, on  
3599 July 1 of each year beginning July 1, 2011, the director of the Division of Finance shall transfer  
3600 from the County of the First Class Highway Projects Fund and the Transportation Investment  
3601 Fund of 2005 to the 2010 Salt Lake County Revenue Bond Sinking Fund the amount certified  
3602 by Salt Lake County that is necessary to pay:

3603 (i) up to two times the debt service requirement necessary to pay debt service on the  
3604 revenue bonds issued by Salt Lake County for that fiscal year; and

3605 (ii) any additional amounts necessary to pay costs of issuance, pay capitalized interest,  
3606 and fund any debt service reserve requirements.

3607 (d) Except as provided in Subsection (4)(b), and until the bonds issued by Salt Lake  
3608 County as provided in the interlocal agreement required by Section 72-2-121.4 are paid off, the  
3609 director of the Division of Finance shall, upon request from Salt Lake County, transfer to Salt  
3610 Lake County or its designee from the 2010 Salt Lake County Revenue Bond Sinking Fund the  
3611 amount certified by Salt Lake County as necessary to pay:

3612 (i) the debt service on the revenue bonds issued by Salt Lake County as provided in the  
3613 interlocal agreement required by Section 72-2-121.4; and

3614 (ii) any additional amounts necessary to pay costs of issuance, pay capitalized interest,  
3615 and fund any debt service reserve requirements.

3616 (5) Any money remaining in the 2010 Salt Lake County Revenue Bond Sinking Fund  
3617 at the end of the fiscal year lapses to the County of the First Class Highway Projects Fund.

3618 Section 50. Section 72-2-124 is amended to read:

3619 **72-2-124. Transportation Investment Fund of 2005.**

3620 (1) There is created a capital projects fund entitled the Transportation Investment Fund  
3621 of 2005.

3622 (2) The fund consists of money generated from the following sources:

3623 (a) any voluntary contributions received for the maintenance, construction,

3624 reconstruction, or renovation of state and federal highways;

3625 (b) appropriations made to the fund by the Legislature;

3626 (c) registration fees designated under Section 41-1a-1201;

3627 ~~[(c)]~~ (d) the sales and use tax revenues deposited into the fund in accordance with

3628 Section 59-12-103; and

3629 ~~[(d) registration fees designated under Section 41-1a-1201; and]~~

3630 (e) revenues transferred to the fund in accordance with Section 72-2-106.

3631 (3) (a) The fund shall earn interest.

3632 (b) All interest earned on fund money shall be deposited into the fund.

3633 (4) (a) Except as provided in Subsection (4)(b), the executive director may use fund

3634 money only to pay:

3635 (i) the costs of maintenance, construction, reconstruction, or renovation to state and

3636 federal highways prioritized by the Transportation Commission through the prioritization

3637 process for new transportation capacity projects adopted under Section 72-1-304;

3638 (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway

3639 projects described in Subsections 63B-18-401(2), (3), and (4);

3640 (iii) the costs of construction of public transit facilities prioritized by the commission

3641 through the prioritization process for new transportation capacity projects adopted under

3642 Section 72-1-304;

3643 ~~[(iii)]~~ (iv) principal, interest, and issuance costs of bonds authorized by Section

3644 63B-18-401 minus the costs paid from the County of the First Class Highway Projects Fund in

3645 accordance with Subsection 72-2-121(4)(f);

3646 ~~[(iv)]~~ (v) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt

3647 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount certified

3648 by Salt Lake County in accordance with Subsection 72-2-121.3(4)(c) as necessary to pay the

3649 debt service on \$30,000,000 of the revenue bonds issued by Salt Lake County;

3650 ~~[(v)]~~ (vi) principal, interest, and issuance costs of bonds authorized by Section

3651 63B-16-101 for projects prioritized in accordance with Section 72-2-125;

3652 ~~[(vi)]~~ (vii) all highway general obligation bonds that are intended to be paid from

3653 revenues in the Centennial Highway Fund created by Section 72-2-118; and

3654 ~~[(vii)]~~ (viii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the

3655 First Class Highway Projects Fund created in Section [72-2-121](#) to be used for the purposes  
3656 described in Section [72-2-121](#).

3657 (b) The executive director may use fund money to exchange for an equal or greater  
3658 amount of federal transportation funds to be used as provided in Subsection (4)(a).

3659 (5) (a) Before bonds authorized by Section [63B-18-401](#) or [63B-27-101](#) may be issued  
3660 in any fiscal year, the department and the commission shall appear before the Executive  
3661 Appropriations Committee of the Legislature and present the amount of bond proceeds that the  
3662 department needs to provide funding for the projects identified in Subsections [63B-18-401](#)(2),  
3663 (3), and (4) or Subsection [63B-27-101](#)(2) for the current or next fiscal year.

3664 (b) The Executive Appropriations Committee of the Legislature shall review and  
3665 comment on the amount of bond proceeds needed to fund the projects.

3666 (6) The Division of Finance shall, from money deposited into the fund, transfer the  
3667 amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by  
3668 Section [63B-18-401](#) or [63B-27-101](#) in the current fiscal year to the appropriate debt service or  
3669 sinking fund.

3670 (7) (a) There is created in the Transportation Investment Fund of 2005 the Public  
3671 Transportation Capital Investment Fund.

3672 (b) The fund shall be funded by:

3673 (i) contributions deposited into the fund in accordance with Section [59-12-1201](#);

3674 (ii) contributions deposited into the fund in accordance with Section [59-28-103](#);

3675 (iii) appropriations into the account by the Legislature;

3676 (iv) private contributions; and

3677 (v) donations or grants from public or private entities.

3678 (c) (i) The fund shall earn interest.

3679 (ii) All interest earned on fund money shall be deposited into the fund.

3680 (d) Subject to Subsection (7)(e), the Legislature may appropriate money from the fund  
3681 for public transit capital development to be used as prioritized by the commission.

3682 (e) (i) The Legislature may only appropriate money from the fund for a public transit  
3683 capital development project if the public transit district or political subdivision provides  
3684 matching funds of equal to or greater than 35% of the funds needed for the project.

3685 (ii) A public transit district or political subdivision may use money derived from a loan

3686 granted pursuant to Title 72, Chapter 2, Part 2, Transportation Infrastructure Loan Fund, to  
3687 provide all or part of the 35% match described in Subsection (7)(e) if:

3688 (A) the loan is approved by the commission as required in Title 72, Chapter 2, Part 2,  
3689 Transportation Infrastructure Loan Fund; and

3690 (B) the proposed capital project has been prioritized by the commission pursuant to  
3691 Section [72-1-303](#).

3692 Section 51. Section **72-5-401** is amended to read:

3693 **72-5-401. Definitions.**

3694 As used in this part:

3695 (1) "Corridor" means the path or proposed path of a transportation facility, including a  
3696 public transit facility, that exists or that may exist in the future[~~-. A corridor~~], and may include  
3697 the land occupied or to be occupied by a transportation facility, and any other land that may be  
3698 needed for expanding a transportation facility or for controlling access to it.

3699 (2) "Corridor preservation" means planning or acquisition processes intended to:

3700 (a) protect or enhance the capacity of existing corridors; and

3701 (b) protect the availability of proposed corridors in advance of the need for and the  
3702 actual commencement of the transportation facility construction.

3703 (3) "Development" means:

3704 (a) the subdividing of land;

3705 (b) the construction of improvements, expansions, or additions; or

3706 (c) any other action that will appreciably increase the value of and the future  
3707 acquisition cost of land.

3708 (4) "Official map" means a map, drawn by government authorities and recorded in  
3709 county recording offices that:

3710 (a) shows actual and proposed rights-of-way, centerline alignments, and setbacks for  
3711 highways and other transportation facilities;

3712 (b) provides a basis for restricting development in designated rights-of-way or between  
3713 designated setbacks to allow the government authorities time to purchase or otherwise reserve  
3714 the land; and

3715 (c) for counties and municipalities may be adopted as an element of the general plan,  
3716 pursuant to Title 17, Chapter 27a, Part 4, General Plan, or Title 10, Chapter 9a, Part 4, General



3717 Plan.

3718 (5) "Taking" means an act or regulation, either by exercise of eminent domain or other  
3719 police power, whereby government puts private property to public use or restrains use of  
3720 private property for public purposes, and that requires compensation to be paid to private  
3721 property owners.

3722 Section 52. Section **72-6-120** is amended to read:

3723 **72-6-120. Department authorized to participate in federal program assuming**  
3724 **responsibility for environmental review of highway projects -- Rulemaking authority.**

3725 (1) The department may:

3726 (a) assume responsibilities under 23 U.S.C. Sec. 326 for:

3727 (i) determining whether state highway design and construction projects are  
3728 categorically excluded from requirements for environmental assessments or environmental  
3729 impact statements; and

3730 (ii) environmental review, consultation, or other actions required under federal law for  
3731 categorically excluded projects;

3732 (b) assume responsibilities under 23 U.S.C. Sec. 327 with respect to one or more  
3733 railroad, public transportation, highway [projects], or multimodal projects within the state  
3734 under the National Environmental Policy Act of 1969 for environmental review, consultation,  
3735 or other action required under any federal environmental law pertaining to the review or  
3736 approval of a specific highway project;

3737 (c) enter one or more memoranda of understanding with the United States Department  
3738 of Transportation related to federal highway programs as provided in 23 U.S.C. Secs. 326 and  
3739 327 subject to the requirements of Subsection [72-1-207\(5\)](#);

3740 (d) accept, receive, and administer grants, other money, or gifts from public and private  
3741 agencies, including the federal government, for the purpose of carrying out the programs  
3742 authorized under this section; and

3743 (e) cooperate with the federal government in implementing this section and any  
3744 memorandum of understanding entered into under Subsection [72-1-207\(5\)](#).

3745 (2) Notwithstanding any other provision of law, in implementing a program under this  
3746 section that is approved by the United States Department of Transportation, the department is  
3747 authorized to:

3748 (a) perform or conduct any of the activities described in a memorandum of  
3749 understanding entered into under Subsection [72-1-207\(5\)](#);  
3750 (b) take actions necessary to implement the program; and  
3751 (c) adopt relevant federal environmental standards as the standards for this state for  
3752 categorically excluded projects.  
3753 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
3754 department may makes rules to implement the provisions of this section.  
3755 **Section 53. Repealer.**  
3756 This bill repeals:  
3757 **Section [17B-2a-807.5](#), Public transit district board of trustees -- Transitional**  
3758 **provisions.**  
3759 **Section 54. Effective date.**  
3760 This bill takes effect on May 8, 2018, except that:  
3761 (1) the amendments to Section [59-28-103](#) in this bill take effect on July 1, 2018; and  
3762 (2) the amendments to Sections [41-1a-102](#), [41-1a-1201](#), and [41-1a-1206](#) in this bill  
3763 take effect on January 1, 2019.

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**Legislative Review Note**  
**Office of Legislative Research and General Counsel**