

**TRANSPORTATION FUNDING AMENDMENTS**

2018 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Wayne A. Harper**

House Sponsor: \_\_\_\_\_

---

---

**LONG TITLE**

**General Description:**

This bill requires a report by the Department of Transportation regarding the status of the County of the First Class Highway Projects fund and provides instructions regarding the ranking of projects for disbursement of the funds.

**Highlighted Provisions:**

This bill:

- ▶ requires the Department of Transportation to present a report regarding the status of the County of the First Class Highway Projects fund to certain county and municipal leaders, certain legislative committees, and certain legislative leadership;
- ▶ requires county and municipal leaders to prioritize and rank proposed projects for disbursement of money within the fund; and
- ▶ requires approval from the Infrastructure and General Government Appropriations Subcommittee prior to disbursement of the funds.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**72-2-121**, as last amended by Laws of Utah 2017, Chapter 436



28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58

---

---

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

Section 1. Section **72-2-121** is amended to read:

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

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

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

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

(b) the portion of the sales and use tax described in Subsection [59-12-2214\(3\)\(b\)](#) deposited in or transferred to the fund;

(c) the portion of the sales and use tax described in Subsection [59-12-2217\(2\)\(b\)](#) and required by Subsection [59-12-2217\(8\)\(b\)](#) to be deposited in or transferred to the fund; and

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

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

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

(4) The executive director shall use the fund money only:

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

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

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

(i) an active transportation facility for nonmotorized vehicles;

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

(iii) a facility that may include a:

(A) pedestrian or nonmotorized vehicle trail;

- 59 (B) nonmotorized vehicle storage facility;
- 60 (C) pedestrian or vehicle bridge; or
- 61 (D) vehicle parking lot or parking structure;
- 62 (d) for fiscal year 2012-13 only, to pay for or to provide funds to a municipality or
- 63 county to pay for a portion of right-of-way acquisition, construction, reconstruction,
- 64 renovations, and improvements to highways described in Subsections 72-2-121.4(7), (8), and
- 65 (9);
- 66 (e) to transfer to the 2010 Salt Lake County Revenue Bond Sinking Fund created by
- 67 Section 72-2-121.3 the amount required in Subsection 72-2-121.3(4)(c) minus the amounts
- 68 transferred in accordance with Subsection 72-2-124(4)(a)(iv);
- 69 (f) for a fiscal year beginning on or after July 1, 2013, to pay debt service and bond
- 70 issuance costs for \$30,000,000 of the bonds issued under Section 63B-18-401 for the projects
- 71 described in Subsection 63B-18-401(4)(a);
- 72 (g) for a fiscal year beginning on or after July 1, 2013, and after the department has
- 73 verified that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund, to
- 74 transfer an amount equal to 50% of the revenue generated by the local option highway
- 75 construction and transportation corridor preservation fee imposed under Section 41-1a-1222 in
- 76 a county of the first class:
  - 77 (i) to the legislative body of a county of the first class; and
  - 78 (ii) to be used by a county of the first class for:
    - 79 (A) highway construction, reconstruction, or maintenance projects; or
    - 80 (B) the enforcement of state motor vehicle and traffic laws;
- 81 (h) for fiscal year 2015 only, and after the department has verified that the amount
- 82 required under Subsection 72-2-121.3(4)(c) is available in the fund and the transfer under
- 83 Subsection (4)(f) has been made, to transfer an amount equal to the remainder of the revenue
- 84 available in the fund for the 2015 fiscal year:
  - 85 (i) to the legislative body of a county of the first class; and
  - 86 (ii) to be used by a county of the first class for:
    - 87 (A) highway construction, reconstruction, or maintenance projects; or
    - 88 (B) the enforcement of state motor vehicle and traffic laws;
- 89 (i) for fiscal year 2015-16 only, and after the department has verified that the amount

90 required under Subsection 72-2-121.3(4)(c) is available in the fund and the transfer under  
91 Subsection (4)(f) has been made, to transfer an amount equal to \$25,000,000:

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

93 (ii) to be used by the county for the purposes described in this section;

94 (j) for a fiscal year beginning on or after July 1, 2015, after the department has verified  
95 that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund and the  
96 transfer under Subsection (4)(f) has been made, to annually transfer an amount equal to up to  
97 42.5% of the sales and use tax revenue imposed in a county of the first class and deposited into  
98 the fund in accordance with Subsection 59-12-2214(3)(b) to:

99 (i) the appropriate debt service or sinking fund for the repayment of bonds issued under  
100 Section 63B-27-102; and

101 (ii) the Transportation Investment Fund of 2005 created in Section 72-2-124 until  
102 \$28,079,000 has been deposited into the Transportation Investment Fund of 2005; and

103 (k) for a fiscal year beginning after the amount described in Subsection (4)(j) has been  
104 repaid to the Transportation Investment Fund of 2005 until fiscal year 2030, after the  
105 department has verified that the amount required under Subsection 72-2-121.3(4)(c) is  
106 available in the fund and the transfer under Subsection (4)(f) has been made, and after the  
107 bonds under Section 63B-27-102 have been repaid, to annually transfer an amount equal to up  
108 to 42.5% of the sales and use tax revenue imposed in a county of the first class and deposited  
109 into the fund in accordance with Subsection 59-12-2214(3)(b):

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

111 (ii) to be used by the county for the purposes described in this section.

112 (5) The revenues described in Subsections (2)(b), (c), and (d) that are deposited in the  
113 fund and bond proceeds from bonds issued under Sections 63B-16-102, 63B-18-402, and  
114 63B-27-102 are considered a local matching contribution for the purposes described under  
115 Section 72-2-123.

116 (6) The additional administrative costs of the department to administer this fund shall  
117 be paid from money in the fund.

118 (7) Notwithstanding any statutory or other restrictions on the use or expenditure of the  
119 revenue sources deposited into this fund, the Department of Transportation may use the money  
120 in this fund for any of the purposes detailed in Subsection (4).

121 (8) (a) The department shall annually create a report including the following  
122 information:

123 (i) the total amount of money in the fund;

124 (ii) the amount currently committed to debt service; and

125 (iii) the amount currently available for allocation.

126 (b) The department shall annually submit the report described in Subsection (8)(a) by  
127 mail or electronic transmission to the chief executive officers of a county of the first class and  
128 each municipality within a county of the first class.

129 (c) The department shall annually send the report described in Subsection (8)(a) by  
130 mail or by electronic transmission to the chairs of the Infrastructure and General Government  
131 Appropriations Subcommittee, the Transportation Interim Committee, the speaker of the House  
132 of Representatives, and the president of the Senate.

133 (9) (a) As used in this section, "council of governments" means the same as that term is  
134 defined in Section [72-2-117.5](#).

135 (b) The chief executive officers of each municipality within a county of the first class,  
136 in consultation with any applicable metropolitan planning organization, shall submit to the  
137 chief executive officer of the county a prioritized list of projects of regional significance for  
138 which the municipality or county is requesting funds under this section.

139 (c) The council of governments of a county of the first class shall evaluate the list of  
140 projects submitted under Subsection (9)(b) and rank the projects according to criteria  
141 developed pursuant to Subsection [59-12-2217\(6\)](#).

142 (d) The chief executive officer of a county of the first class and the chair and vice chair  
143 of the council of governments of a county of the first class shall present the ranked priority  
144 projects to the Infrastructure and General Government Appropriations Subcommittee of the  
145 Legislature for review and recommendation.

146 (e) After review and recommendation from the Infrastructure and General Government  
147 Appropriations Subcommittee of the Legislature, the department shall allocate and disperse the  
148 funds to each project sponsor according to the ranking established by the council of  
149 governments as described in Subsection (9)(c).

**Legislative Review Note**  
**Office of Legislative Research and General Counsel**