

TRANSPORTATION GOVERNANCE AND FUNDING**AMENDMENTS**

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: _____

LONG TITLE**General Description:**

This bill amends provisions related to transportation funding, motor vehicles, transportation network companies, and other transportation related items.

Highlighted Provisions:

This bill:

- ▶ requires counties and municipalities to provide certain notifications to a large public transit district related to development that could impact public transit corridors;
- ▶ amends provisions related to transportation reinvestment zones to facilitate state participation;
- ▶ amends provisions related to insurance levels and safety standards of transportation network company vehicles;
- ▶ amends provisions related to public transit districts, including:
 - removing a cap on the number of transit-oriented developments allowed;
 - defining terms related to public transit infrastructure and planning; and
 - provisions related to powers and responsibilities of the board of trustees and local advisory councils of a large public transit district;
- ▶ amends provisions related to odometer disclosures to comply with federal law;
- ▶ increases a tax on the rental of motor vehicles;
- ▶ repeals increased registration fees for hybrid electric motor vehicles;



- 28 ▶ amends provisions related to certain local option sales and use taxes regarding voter
29 approval of certain sales tax impositions and approved uses of certain revenues;
30 ▶ requires the Department of Transportation to provide reports to the Legislature
31 regarding the road usage charge program, implementation, and future inclusion of
32 all motor vehicles;
33 ▶ amends provisions related to the duties of and prioritization criteria considered by
34 the Transportation Commission;
35 ▶ amends provisions related to the distribution of class B and class C road funds;
36 ▶ allows certain funds related to class B and C roads to be used for administration of
37 the class B and C road fund;
38 ▶ amends provisions of the Transportation Investment Fund of 2005 related to
39 programming of funds;
40 ▶ creates the Transportation Reinvestment Zone fund to receive future contributions
41 from state sales tax revenues relevant to a transportation reinvestment zone to which
42 the state is a party;
43 ▶ amends provisions related to revenues generated by a tollway to allow revenues to
44 be used for any state transportation purpose;
45 ▶ amends provisions related to airport operators and the duties of peace officers and
46 other employees interacting with traffic and air passengers; and
47 ▶ makes technical changes.

Money Appropriated in this Bill:

49 None

Other Special Clauses:

51 This bill provides a special effective date.

Utah Code Sections Affected:**AMENDS:**

54 10-9a-206, as last amended by Laws of Utah 2017, Chapter 428

55 11-13-227, as last amended by Laws of Utah 2019, Chapter 479

56 13-51-107, as last amended by Laws of Utah 2017, Chapter 406

57 13-51-108, as last amended by Laws of Utah 2016, Chapters 138 and 359

58 17-27a-206, as last amended by Laws of Utah 2017, Chapter 428

59 **17B-2a-802**, as last amended by Laws of Utah 2019, Chapter 479
60 **17B-2a-804**, as last amended by Laws of Utah 2018, Chapter 424
61 **17B-2a-808.1**, as last amended by Laws of Utah 2019, Chapter 479
62 **17B-2a-808.2**, as last amended by Laws of Utah 2019, Chapter 479
63 **41-1a-902**, as last amended by Laws of Utah 1992, Chapter 234 and renumbered and
64 amended by Laws of Utah 1992, Chapter 1
65 **41-1a-1206**, as last amended by Laws of Utah 2019, Chapter 479
66 **59-12-1201**, as last amended by Laws of Utah 2016, Chapters 184 and 291
67 **59-12-2214**, as last amended by Laws of Utah 2019, Chapter 479
68 **59-12-2215**, as last amended by Laws of Utah 2019, Chapter 479
69 **59-12-2217**, as last amended by Laws of Utah 2019, Chapter 479
70 **72-1-213.1**, as enacted by Laws of Utah 2019, Chapter 479
71 **72-1-303**, as last amended by Laws of Utah 2018, Chapter 424
72 **72-1-304**, as last amended by Laws of Utah 2019, Chapters 327 and 479
73 **72-2-107**, as last amended by Laws of Utah 2019, Chapter 479
74 **72-2-108**, as last amended by Laws of Utah 2018, Second Special Session, Chapter 8
75 **72-2-124**, as last amended by Laws of Utah 2019, Chapters 327 and 479
76 **72-6-118**, as last amended by Laws of Utah 2018, Chapter 269
77 **72-10-207**, as last amended by Laws of Utah 1998, Chapters 282, 365 and renumbered
78 and amended by Laws of Utah 1998, Chapter 270
79 ENACTS:
80 **72-2-131**, Utah Code Annotated 1953

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

83 Section 1. Section **10-9a-206** is amended to read:

84 **10-9a-206. Third party notice -- High priority transportation corridor notice.**

85 (1) (a) If a municipality requires notice to adjacent property owners, the municipality
86 shall:

87 (i) mail notice to the record owner of each parcel within parameters specified by
88 municipal ordinance; or

89 (ii) post notice on the property with a sign of sufficient size, durability, print quality,

and location that is reasonably calculated to give notice to passers-by.

(b) If a municipality mails notice to third party property owners under Subsection (1)(a), it shall mail equivalent notice to property owners within an adjacent jurisdiction.

(2) (a) As used in this Subsection (2), "high priority transportation corridor" means a transportation corridor identified as a high priority transportation corridor under Section 72-5-403.

(b) The Department of Transportation may request, in writing, that a municipality provide the department with electronic notice of each land use application received by the municipality that may adversely impact the development of a high priority transportation corridor.

(c) If the municipality receives a written request as provided in Subsection (2)(b), the municipality shall provide the Department of Transportation with timely electronic notice of each land use application that the request specifies.

(3) (a) A large public transit district, as defined in Section 17B-2a-802, may request, in writing, that a municipality provide the large public transit district with electronic notice of each land use application received by the municipality that may impact the development of a major transit investment corridor.

(b) If the municipality receives a written request as provided in Subsection (3)(a), the municipality shall provide the large public transit district with timely electronic notice of each land use application that the request specifies.

Section 2. Section 11-13-227 is amended to read:

11-13-227. Transportation reinvestment zones.

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

(2) To create a transportation reinvestment zone, two or more public agencies, at least one of which has land use authority over the transportation reinvestment zone area, shall:

(a) define the transportation infrastructure need and proposed improvement;

(b) define the boundaries of the zone;

(c) establish terms for sharing sales tax revenue among the members of the agreement;

(d) establish a base year to calculate the increase of property tax revenue within the

121 zone;

122 (e) establish terms for sharing any increase in property tax revenue within the zone;

123 and

124 (f) before an agreement is approved as required in Section 11-13-202.5, hold a public
125 hearing regarding the details of the proposed transportation reinvestment zone.

126 (3) (a) Subject to Subsection (3)(b), the state may enter into an agreement and
127 participate in a transportation reinvestment zone.

128 (b) If state funds will be expended and contributed to a transportation reinvestment
129 zone as described in Section 72-2-131, the state may only enter into an agreement and
130 participate in the transportation reinvestment zone if the proposed transportation infrastructure
131 need and proposed improvement serve a statewide public purpose.

132 ~~[(3)]~~ (4) Any agreement to establish a transportation reinvestment zone is subject to the
133 requirements of Sections 11-13-202, 11-13-202.5, 11-13-206, and 11-13-207.

134 ~~[(4)]~~ (5) (a) Each public agency that is party to an agreement under this section shall
135 annually publish a report including a statement of the increased tax revenue and the
136 expenditures made in accordance with the agreement.

137 (b) Each public agency that is party to an agreement under this section shall transmit a
138 copy of the report described in Subsection ~~[(4)]~~ (5)(a) to the state auditor.

139 ~~[(5)]~~ (6) If any surplus revenue remains in a tax revenue account created as part of a
140 transportation reinvestment zone agreement, the parties may use the surplus for other purposes
141 as determined by agreement of the parties.

142 ~~[(6)]~~ (7) (a) An action taken under this section is not subject to:

143 (i) Section 10-8-2;

144 (ii) Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act;

145 (iii) Title 17, Chapter 27a, County Land Use, Development, and Management Act; or

146 (iv) Section 17-50-312.

147 (b) An ordinance, resolution, or agreement adopted under this title is not a land use
148 regulation as defined in Sections 10-9a-103 and 17-27a-103.

149 Section 3. Section 13-51-107 is amended to read:

150 **13-51-107. Driver requirements.**

151 (1) Before a transportation network company allows an individual to use the

transportation network company's software application as a transportation network driver, the transportation network company shall:

(a) require the individual to submit to the transportation network company:

(i) the individual's name, address, and age;

(ii) a copy of the individual's driver license, including the driver license number; and

(iii) proof that the vehicle that the individual will use to provide transportation network services is registered with the Division of Motor Vehicles;

(b) require the individual to consent to a criminal background check of the individual by the transportation network company or the transportation network company's designee; and

(c) obtain and review a report that lists the individual's driving history.

(2) A transportation company may not allow an individual to provide transportation network services as a transportation network driver if the individual:

(a) has committed more than three moving violations in the three years before the day on which the individual applies to become a transportation network driver;

(b) has been convicted, in the seven years before the day on which the individual applies to become a transportation network driver, of:

(i) driving under the influence of alcohol or drugs;

(ii) fraud;

(iii) a sexual offense;

(iv) a felony involving a motor vehicle;

(v) a crime involving property damage;

(vi) a crime involving theft;

(vii) a crime of violence; or

(viii) an act of terror;

(c) is required to register as a sex offender in accordance with Title 77, Chapter 41, Sex and Kidnap Offender Registry;

(d) does not have a valid Utah driver license; or

(e) is not at least 19 years of age.

(3) (a) A transportation network company shall prohibit a transportation network driver from accepting a request for a prearranged ride if the motor vehicle that the transportation network driver uses to provide transportation network services fails to comply with:

183 ~~[(a)]~~ (i) equipment standards described in Section 41-6a-1601; and

184 ~~[(b)]~~ (ii) emission requirements adopted by a county under Section 41-6a-1642.

185 (b) An airport operator may perform a random safety inspection of a transportation
186 network driver's vehicle operating within the airport to ensure compliance with equipment
187 standards described in Section 41-6a-1601.

188 (4) A transportation network driver, while providing transportation network services,
189 shall carry proof, in physical or electronic form, that the transportation network driver is
190 covered by insurance that satisfies the requirements of Section 13-51-108.

191 Section 4. Section 13-51-108 is amended to read:

192 **13-51-108. Insurance.**

193 (1) A transportation network company or a transportation network driver shall maintain
194 insurance that covers, on a primary basis, a transportation network driver's use of a vehicle
195 during a prearranged ride and that includes:

196 (a) an acknowledgment that the transportation network driver is using the vehicle in
197 connection with a transportation network company during a prearranged ride or that the
198 transportation network driver is otherwise using the vehicle for a commercial purpose;

199 (b) liability coverage for a minimum amount of [~~\$1,000,000~~] \$1,500,000 per
200 occurrence;

201 (c) personal injury protection to the extent required under Sections 31A-22-306
202 through 31A-22-309;

203 (d) uninsured motorist coverage where required by Section 31A-22-305; and

204 (e) underinsured motorist coverage where required by Section 31A-22-305.3.

205 (2) A transportation network company or a transportation network driver shall maintain
206 insurance that covers, on a primary basis, a transportation network driver's use of a vehicle
207 during a waiting period and that includes:

208 (a) an acknowledgment that the transportation network driver is using the vehicle in
209 connection with a transportation network company during a waiting period or that the
210 transportation network driver is otherwise using the vehicle for a commercial purpose;

211 (b) liability coverage in a minimum amount, per occurrence, of:

212 (i) \$50,000 to any one individual;

213 (ii) \$100,000 to all individuals; and

- 214 (iii) \$30,000 for property damage;
- 215 (c) personal injury protection to the extent required under Sections 31A-22-306
- 216 through 31A-22-309;
- 217 (d) uninsured motorist coverage where required by Section 31A-22-305; and
- 218 (e) underinsured motorist coverage where required by Section 31A-22-305.3.
- 219 (3) A transportation network company and a transportation network driver may satisfy
- 220 the requirements of Subsections (1) and (2) by:
- 221 (a) the transportation network driver purchasing coverage that complies with
- 222 Subsections (1) and (2);
- 223 (b) the transportation network company purchasing, on the transportation network
- 224 driver's behalf, coverage that complies with Subsections (1) and (2); or
- 225 (c) a combination of Subsections (3)(a) and (b).
- 226 (4) An insurer may offer to a transportation network driver a personal automobile
- 227 liability insurance policy, or an amendment or endorsement to a personal automobile liability
- 228 policy, that:
- 229 (a) covers a private passenger motor vehicle while used to provide transportation
- 230 network services; and
- 231 (b) satisfies the coverage requirements described in Subsection (1) or (2).
- 232 (5) Nothing in this section requires a personal automobile insurance policy to provide
- 233 coverage while a driver is providing transportation network services.
- 234 (6) If a transportation network company does not purchase a policy that complies with
- 235 Subsections (1) and (2) on behalf of a transportation network driver, the transportation network
- 236 company shall verify that the driver has purchased a policy that complies with Subsections (1)
- 237 and (2).
- 238 (7) An insurance policy that a transportation network company or a transportation
- 239 network driver maintains under Subsection (1) or (2):
- 240 (a) satisfies the security requirements of Section 41-12a-301; and
- 241 (b) may be placed with:
- 242 (i) an insurer that is certified under Section 31A-4-103; or
- 243 (ii) a surplus lines insurer eligible under Section 31A-15-103.
- 244 (8) An insurer that provides coverage for a transportation network driver explicitly for

the transportation network driver's transportation network services under Subsection (1) or (2) shall have the duty to defend a liability claim arising from an occurrence while the transportation network driver is providing transportation network services.

(9) If insurance a transportation network driver maintains under Subsection (1) or (2) lapses or ceases to exist, a transportation network company shall provide coverage complying with Subsection (1) or (2) beginning with the first dollar of a claim.

(10) (a) An insurance policy that a transportation network company or transportation network driver maintains under Subsection (1) or (2) may not provide that coverage is dependent on a transportation network driver's personal automobile insurance policy first denying a claim.

(b) Subsection (10)(a) does not apply to coverage a transportation network company provides under Subsection (9) in the event a transportation network driver's coverage under Subsection (1) or (2) lapses or ceases to exist.

(11) A personal automobile insurer:

(a) notwithstanding Section 31A-22-302, may offer a personal automobile liability policy that excludes coverage for a loss that arises from the use of the insured vehicle to provide transportation network services; and

(b) does not have the duty to defend or indemnify a loss if an exclusion described in Subsection (11)(a) excludes coverage according to the policy's terms.

Section 5. Section 17-27a-206 is amended to read:

17-27a-206. Third party notice -- High priority transportation corridor notice.

(1) (a) If a county requires notice to adjacent property owners, the county shall:

(i) mail notice to the record owner of each parcel within parameters specified by county ordinance; or

(ii) post notice on the property with a sign of sufficient size, durability, print quality, and location that is reasonably calculated to give notice to passers-by.

(b) If a county mails notice to third party property owners under Subsection (1), it shall mail equivalent notice to property owners within an adjacent jurisdiction.

(2) (a) As used in this Subsection (2), "high priority transportation corridor" means a transportation corridor identified as a high priority transportation corridor under Section 72-5-403.

(b) The Department of Transportation may request, in writing, that a county provide the department with electronic notice of each land use application received by the county that may adversely impact the development of a high priority transportation corridor.

(c) If the county receives a written request as provided in Subsection (2)(b), the county shall provide the Department of Transportation with timely electronic notice of each land use application that the request specifies.

(3) (a) A large public transit district, as defined in Section 17B-2a-802, may request, in writing, that a county provide the large public transit district with electronic notice of each land use application received by the county that may impact the development of a major transit investment corridor.

(b) If the county receives a written request as provided in Subsection (3)(a), the county shall provide the large public transit district with timely electronic notice of each land use application that the request specifies.

Section 6. Section **17B-2a-802** is amended to read:

17B-2a-802. Definitions.

As used in this part:

(1) "Affordable housing" means housing occupied or reserved for occupancy by households that meet certain gross household income requirements based on the area median income for households of the same size.

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

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

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

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

(b) "Chief executive officer" shall enjoy all the rights, duties, and responsibilities defined in Sections 17B-2a-810 and 17B-2a-811 and includes all rights, duties, and

responsibilities assigned to the general manager but prescribed by the board of trustees to be fulfilled by the chief executive officer.

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

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

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

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

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

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

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

(b) two or more counties.

(9) (a) "Locally elected public official" means a person who holds an elected position with a county or municipality.

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

(10) "Metropolitan planning organization" means the same as that term is defined in Section 72-1-208.5.

(11) "Multicounty district" means a public transit district located in more than one county.

(12) "Operator" means a public entity or other person engaged in the transportation of passengers for hire.

(13) (a) "Public transit" means regular, continuing, shared-ride, surface transportation services that are open to the general public or open to a segment of the general public defined by age, disability, or low income.

(b) "Public transit" does not include transportation services provided by:

(i) chartered bus;

(ii) sightseeing bus;

(iii) taxi;

(iv) school bus service;

(v) courtesy shuttle service for patrons of one or more specific establishments; or

(vi) intra-terminal or intra-facility shuttle services.

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

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

(16) "Station area plan" means a plan adopted by the relevant municipality or county that establishes and preserves a vision for areas within one-half mile of a fixed guideway station of a large public transit district, the development of which includes:

(a) involvement of all relevant stakeholders who have an interest in the station area, including relevant metropolitan planning organizations;

(b) identification of major infrastructural and policy constraints and a course of action to address those constraints; and

(c) other criteria as determined by the board of trustees of the relevant public transit district.

~~[(16)]~~ (17) "Transit facility" means a transit vehicle, transit station, depot, passenger loading or unloading zone, parking lot, or other facility:

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

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

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

(ii) railway line; and

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

~~[(17)]~~ (18) "Transit vehicle" means a passenger bus, coach, railcar, van, or other vehicle operated as public transportation by a public transit district.

~~[(18)]~~ (19) "Transit-oriented development" means a mixed use residential or commercial area that is designed to maximize access to public transit and includes the

development of land owned by a large public transit district [~~that serves a county of the first class~~].

~~[(19)]~~ (20) "Transit-supportive development" means a mixed use residential or commercial area that is designed to maximize access to public transit and does not include the development of land owned by a large public transit district.

Section 7. Section **17B-2a-804** is amended to read:

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

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

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

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

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

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

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

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

(c) insure against:

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

(ii) public liability;

(iii) property damage; or

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

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

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

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

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

(ii) provide for a sublease or subcontract by the operator upon terms that are in the

public interest;

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

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

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

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

(j) subject to Subsection 17B-2a-808.1(5), issue bonds as provided in and subject to Chapter 1, Part 11, Local District Bonds, to carry out the purposes of the district;

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

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

(m) sell or lease property;

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

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

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

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

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

431 (2) (a) A public transit district may only assist in the development of areas under
432 Subsection (1)(p)[:] that have been approved by the board of trustees, and in the manners
433 described in Subsection (1)(p).

434 ~~[(i) in the manner described in Subsection (1)(p)(i) or (ii), and]~~
435 ~~[(ii) on no more than eight transit-oriented developments or transit-supportive~~
436 ~~developments selected by the board of trustees.]~~

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

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

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

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

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

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

457 (i) service and ridership;

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

459 (iii) the local economy;

460 (iv) the environment and air quality;

461 (v) affordable housing; and

(vi) integration with other modes of transportation; ~~[and]~~

(b) provide evidence to the public of a quantifiable positive return on investment, including improvements to public transit service.

(4) A public transit district may not participate in a transit-oriented development if:

(a) the relevant municipality or county has not developed and adopted a station area plan; and

(b) (i) for a transit-oriented development involving a municipality, the municipality is not in compliance with Sections 10-9a-403 and 10-9a-408 regarding the inclusion of moderate income housing in the general plan and the required reporting requirements; or

(ii) for a transit-oriented development involving property in an unincorporated area of a county, the county is not in compliance with Sections 17-27a-403 and 17-27a-408 regarding inclusion of moderate income housing in the general plan and required reporting requirements.

~~[(4)]~~ (5) A public transit district may be funded from any combination of federal, state, local, or private funds.

~~[(5)]~~ (6) A public transit district may not acquire property by eminent domain.

Section 8. Section 17B-2a-808.1 is amended to read:

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

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

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

(a) hold public meetings and receive public comment;

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

(c) subject to Subsection (8), create and approve an annual budget, including the issuance of bonds and other financial instruments, after consultation with the local advisory council;

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

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

493 (f) in consultation with constituent counties, municipalities, metropolitan planning
494 organizations, and the local advisory council:

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

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

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

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

504 (i) annually report to the Transportation Interim Committee the public transit district's
505 efforts to engage in public-private partnerships for public transit services;

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

508 (ii) in partnership with the Department of Transportation, before November 30, 2019,
509 report on the progress of the study to the Transportation Interim Committee and the
510 Infrastructure and General Government Appropriations Subcommittee;

511 (k) hire, set salaries, and develop performance targets and evaluations for:

512 (i) the executive director; and

513 (ii) all chief level officers;

514 (l) supervise and regulate each transit facility that the public transit district owns and
515 operates, including:

516 (i) fix rates, fares, rentals, charges and any classifications of rates, fares, rentals, and
517 charges; and

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

520 (m) subject to Subsection (4), control the investment of all funds assigned to the
521 district for investment, including funds:

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

523 (ii) invested in accordance with the participating employees' designation or direction

pursuant to an employee deferred compensation plan established and operated in compliance with Section 457 of the Internal Revenue Code;

(n) in consultation with the local advisory council created under Section 17B-2a-808.2, invest all funds according to the procedures and requirements of Title 51, Chapter 7, State Money Management Act;

(o) if a custodian is appointed under Subsection (3)(d), and subject to Subsection (4), pay the fees for the custodian's services from the interest earnings of the investment fund for which the custodian is appointed;

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

(ii) as soon as practicable after the close of each fiscal year, submit to each of the councils of governments within the public transit district a financial report showing:

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

(B) an accounting of the expenditures of all local sales and use tax revenues generated under Title 59, Chapter 12, Part 22, Local Option Sales and Use Taxes for Transportation Act;

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

(D) the district's progress and efforts to improve efficiency relative to the previous fiscal year; and

(iii) supply copies of the report under Subsection (2)(p)(ii) to the general public upon request;

(q) report at least annually to the Transportation Commission created in Section 72-1-301, which report shall include:

(i) the district's short-term and long-range public transit plans, including the portions of applicable regional transportation plans adopted by a metropolitan planning organization established under 23 U.S.C. Sec. 134; and

(ii) any transit capital development projects that the board of trustees would like the Transportation Commission to consider;

(r) direct the internal auditor appointed under Section 17B-2a-810 to conduct audits that the board of trustees determines, in consultation with the local advisory council created in Section 17B-2a-808.2, to be the most critical to the success of the organization;

(s) together with the local advisory council created in Section 17B-2a-808.2, hear audit

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

(t) review and approve all contracts pertaining to reduced fares, and evaluate existing contracts, including review of:

(i) how negotiations occurred;

(ii) the rationale for providing a reduced fare; and

(iii) identification and evaluation of cost shifts to offset operational costs incurred and impacted by each contract offering a reduced fare;

(u) in consultation with the local advisory council, develop and approve other board policies, ordinances, and bylaws; and

(v) review and approve any:

(i) contract or expense exceeding \$200,000; or

(ii) proposed change order to an existing contract if ~~[the value of the change order exceeds]~~ the change order:

~~[(A) 15% of the total contract; or]~~

~~[(B) \$200,000.]~~

(A) increases the total contract value to \$200,000 or more;

(B) increases a contract of or expense of \$200,000 or more by 15% or more; or

(C) has a total change order value of \$200,000 or more.

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

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

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

(ii) necessary for:

(A) the governance and management of the affairs of the district;

(B) the execution of district powers; and

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

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

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

- 586 (ii) in an amount no greater than the amount authorized; and
587 (iii) approved by the executive director or other officer or deputy as the board
588 prescribes;
- 589 (c) in consultation with the local advisory council created in Section [17B-2a-808.2](#):
590 (i) hold public hearings and subpoena witnesses; and
591 (ii) appoint district officers to conduct a hearing and require the officers to make
592 findings and conclusions and report them to the board; and
593 (d) appoint a custodian for the funds and securities under its control, subject to
594 Subsection (2)(o).
- 595 (4) For a large public transit district in existence as of May 8, 2018, on or before
596 September 30, 2019, the board of trustees of a large public transit district shall present a report
597 to the Transportation Interim Committee regarding retirement benefits of the district, including:
598 (a) the feasibility of becoming a participating employer and having retirement benefits
599 of eligible employees and officials covered in applicable systems and plans administered under
600 Title 49, Utah State Retirement and Insurance Benefit Act;
601 (b) any legal or contractual restrictions on any employees that are party to a collectively
602 bargained retirement plan; and
603 (c) a comparison of retirement plans offered by the large public transit district and
604 similarly situated public employees, including the costs of each plan and the value of the
605 benefit offered.
- 606 (5) The board of trustees may not issue a bond unless the board of trustees has
607 consulted and received approval from the State Bonding Commission created in Section
608 [63B-1-201](#).
- 609 (6) A member of the board of trustees of a large public transit district or a hearing
610 officer designated by the board may administer oaths and affirmations in a district investigation
611 or proceeding.
- 612 (7) (a) The vote of the board of trustees on each ordinance or resolution shall be by roll
613 call vote with each affirmative and negative vote recorded.
- 614 (b) The board of trustees of a large public transit district may not adopt an ordinance
615 unless it is introduced at least 24 hours before the board of trustees adopts it.
- 616 (c) Each ordinance adopted by a large public transit district's board of trustees shall

take effect upon adoption, unless the ordinance provides otherwise.

(8) (a) For a large public transit district in existence on May 8, 2018, for the budget for calendar year 2019, the board in place on May 8, 2018, shall create the tentative annual budget.

(b) The budget described in Subsection (8)(a) shall include setting the salary of each of the members of the board of trustees that will assume control on or before November 1, 2018, which salary may not exceed \$150,000, plus additional retirement and other standard benefits, as set by the local advisory council as described in Section 17B-2a-808.2.

(c) For a large public transit district in existence on May 8, 2018, the board of trustees that assumes control of the large public transit district on or before November 2, 2018, shall approve the calendar year 2019 budget on or before December 31, 2018.

Section 9. Section 17B-2a-808.2 is amended to read:

17B-2a-808.2. Large public transit district local advisory council -- Powers and duties.

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

(2) (a) (i) For a large public transit district in existence as of January 1, 2019, the local advisory council shall have membership selected as described in Subsection (2)(b).

(ii) (A) For a large public transit district created after January 1, 2019, the political subdivision or subdivisions forming the large public transit district shall submit to the Legislature for approval a proposal for the appointments to the local advisory council of the large public transit district similar to the appointment process described in Subsection (2)(b).

(B) Upon approval of the Legislature, each nominating individual or body shall appoint individuals to the local advisory council.

(b) (i) The council of governments of Salt Lake County shall appoint three members to the local advisory council.

(ii) The mayor of Salt Lake City shall appoint one member to the local advisory council.

(iii) The council of governments of Utah County shall appoint two members to the local advisory council.

(iv) The council of governments of Davis County and Weber County shall each appoint one member to the local advisory council.

(v) The councils of governments of Box Elder County and Tooele County shall jointly

648 appoint one member to the local advisory council.

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

652 (4) The duties of the local advisory council shall include:

653 (a) setting the compensation packages of the board of trustees, which salary may not
654 exceed \$150,000, plus additional retirement and other standard benefits;

655 (b) reviewing, ~~[approving]~~ advising, and recommending final adoption by the board of
656 trustees of the large public transit district service plans at least every two and one-half years;

657 (c) reviewing, ~~[approving]~~ advising, and recommending final adoption by the board of
658 trustees of project development plans, including funding, of all new capital development
659 projects;

660 (d) reviewing, ~~[approving]~~ advising, and recommending final adoption by the board of
661 trustees of any plan for a transit-oriented development where a large public transit district is
662 involved;

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

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

667 (g) representing and advocating the concerns of citizens within the public transit
668 district to the board of trustees; and

669 (h) other duties described in Section [17B-2a-808.1](#).

670 (5) The local advisory council shall meet at least quarterly with and consult with the
671 board of trustees and advise regarding the operation and management of the public transit
672 district.

673 Section 10. Section **41-1a-902** is amended to read:

674 **41-1a-902. Odometer disclosure statement -- Contents -- Receipt -- Exceptions.**

675 (1) Each motor vehicle certificate of title, at the time it is issued to the transferee, shall
676 contain:

677 (a) the mileage disclosed by the transferor when ownership of the motor vehicle was
678 transferred; and

(b) a space for the information required to be disclosed under this section at the time of future transfer of ownership.

(2) At the time of any sale or transfer of a motor vehicle, the transferor shall furnish to the transferee a written odometer disclosure statement in a form prescribed by the division.

This statement shall be signed and certified as to its truthfulness by the transferor, stating:

(a) the date of transfer;
(b) the transferor's name and address;
(c) the transferee's name and address;
(d) the identity of the motor vehicle, including its make, model, year, body type, and identification number;

(e) the odometer reading at the time of transfer, not including tenths of miles or tenths of kilometers;

(f) (i) that to the best of the transferor's knowledge, the odometer reading reflects the amount of miles or kilometers the motor vehicle has actually been driven;

(ii) that the odometer reading reflects the amount of miles or kilometers in excess of the designed mechanical odometer limit; or

(iii) that the odometer reading is not the actual amount of miles or kilometers; and

(g) a warning to alert the transferee if a discrepancy exists between the odometer reading and the actual mileage.

(3) (a) Each transferee of a motor vehicle shall acknowledge receipt of the odometer disclosure statement required by Subsection (2) by signing it, and the transferor shall deliver to the transferee the original odometer disclosure statement. Both the transferor and the transferee shall retain a legible copy of the odometer disclosure statement for not less than four years.

(b) A dealer who is required under Section 41-3-301 to title and register a motor vehicle sold to a customer shall surrender the original odometer disclosure statement to the division and deliver a copy to the transferee.

(4) Notwithstanding the requirements of this section, the odometer mileage need not be disclosed by a transferor of:

(a) a single motor vehicle having a manufacturer specified gross laden weight rating of more than 16,000 pounds, or a motor vehicle registered in this state for a gross laden weight of 18,000 pounds or more;

(b) a motor vehicle that is ~~[10]~~ 20 years old or older;

(c) a motor vehicle sold directly by the manufacturer to any agency of the United States in conformity with contractual specifications; or

(d) a new motor vehicle prior to its first transfer for purposes other than resale.

(5) If the motor vehicle has not been titled or if the certificate of title does not contain a space for the information required, the written disclosure shall be executed as a separate document.

(6) A person may not sign an odometer disclosure statement as both the transferor and the transferee in the same transaction.

Section 11. Section **41-1a-1206** is amended to read:

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

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

(a) \$46.00 for each motorcycle;

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

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

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

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

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

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

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

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

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

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

741 (g) \$45 for each vintage vehicle that is less than 40 years old; and
742 (h) in addition to the fee described in Subsection (1)(b):
743 (i) for each electric motor vehicle:
744 [~~(A) \$60 during calendar year 2019;~~]
745 [~~(B)~~] (A) \$90 during calendar year 2020; and
746 [~~(C)~~] (B) \$120 beginning January 1, 2021, and thereafter;
747 [~~(ii) for each hybrid electric motor vehicle;~~]
748 [~~(A) \$10 during calendar year 2019;~~]
749 [~~(B) \$15 during calendar year 2020; and~~]
750 [~~(C) \$20 beginning January 1, 2021, and thereafter;~~]
751 [~~(iii)~~] (ii) for each plug-in hybrid electric motor vehicle:
752 [~~(A) \$26 during calendar year 2019;~~]
753 [~~(B)~~] (A) \$39 during calendar year 2020; and
754 [~~(C)~~] (B) \$52 beginning January 1, 2021, and thereafter; and
755 [~~(iv)~~] (iii) for any motor vehicle not described in [~~Subsections~~] Subsection (1)(h)(i)
756 [~~through (iii)~~] or (ii) that is fueled exclusively by a source other than motor fuel, diesel fuel,
757 natural gas, or propane:
758 [~~(A) \$60 during calendar year 2019;~~]
759 [~~(B)~~] (A) \$90 during calendar year 2020; and
760 [~~(C)~~] (B) \$120 beginning January 1, 2021, and thereafter.
761 (2) (a) At the time application is made for registration or renewal of registration of a
762 vehicle under this chapter for a six-month registration period under Section 41-1a-215.5, a
763 registration fee shall be paid to the division as follows:
764 (i) \$34.50 for each motorcycle; and
765 (ii) \$33.50 for each motor vehicle of 12,000 pounds or less gross laden weight,
766 excluding motorcycles.
767 (b) In addition to the fee described in Subsection (2)(a)(ii), for registration or renewal
768 of registration of a vehicle under this chapter for a six-month registration period under Section
769 41-1a-215.5 a registration fee shall be paid to the division as follows:
770 (i) for each electric motor vehicle:
771 [~~(A) \$46.50 during calendar year 2019;~~]

772 ~~[(B)]~~ (A) \$69.75 during calendar year 2020; and
773 ~~[(C)]~~ (B) \$93 beginning January 1, 2021, and thereafter;
774 ~~[(ii) for each hybrid electric motor vehicle:]~~
775 ~~[(A) \$7.50 during calendar year 2019;]~~
776 ~~[(B) \$11.25 during calendar year 2020; and]~~
777 ~~[(C) \$15 beginning January 1, 2021, and thereafter;]~~
778 ~~[(iii)]~~ (ii) for each plug-in hybrid electric motor vehicle:
779 ~~[(A) \$20 during calendar year 2019;]~~
780 ~~[(B)]~~ (A) \$30 during calendar year 2020; and
781 ~~[(C)]~~ (B) \$40 beginning January 1, 2021, and thereafter; and
782 ~~[(iv)]~~ (iii) for each motor vehicle not described in ~~[Subsections]~~ Subsection (2)(b)(i)
783 ~~[through (iii)]~~ or (ii) that is fueled by a source other than motor fuel, diesel fuel, natural gas, or
784 propane:
785 ~~[(A) \$46.50 during calendar year 2019;]~~
786 ~~[(B)]~~ (A) \$69.75 during calendar year 2020; and
787 ~~[(C)]~~ (B) \$93 beginning January 1, 2021, and thereafter.
788 (3) (a) (i) Beginning on January 1, 2019, the commission shall, on January 1, annually
789 adjust the registration fees described in Subsections (1)(a), (1)(b), (1)(c)(i), (1)(c)(ii), (1)(d)(i),
790 (1)(e)(i), (1)(f)(i), (1)(g), (2)(a), (4)(a), and (7), by taking the registration fee rate for the
791 previous year and adding an amount equal to the greater of:
792 (A) an amount calculated by multiplying the registration fee of the previous year by the
793 actual percentage change during the previous fiscal year in the Consumer Price Index; and
794 (B) 0.
795 (ii) Beginning on January 1, 2022, the commission shall, on January 1, annually adjust
796 the registration fees described in Subsections ~~[(1)(h)(i)(C), (1)(h)(ii)(C), (1)(h)(iii)(C),~~
797 ~~(1)(h)(iv)(C), (2)(b)(i)(C), (2)(b)(ii)(C), (2)(b)(iii)(C), and (2)(b)(iv)(C)]~~ (1)(h)(i)(B),
798 (1)(h)(ii)(B), (1)(h)(iii)(B), (2)(b)(i)(B), (2)(b)(ii)(B), and (2)(b)(iii)(B) by taking the
799 registration fee rate for the previous year and adding an amount equal to the greater of:
800 (A) an amount calculated by multiplying the registration fee of the previous year by the
801 actual percentage change during the previous fiscal year in the Consumer Price Index; and
802 (B) 0.

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

(4) (a) The initial registration fee for a vintage vehicle that is 40 years old or older is \$40.

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

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

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

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

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

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

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

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

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

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

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

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

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

Section 12. Section **59-12-1201** is amended to read:

59-12-1201. Motor vehicle rental tax -- Rate -- Exemptions -- Administration, collection, and enforcement of tax -- Administrative charge -- Deposits.

(1) (a) Except as provided in Subsection (3), there is imposed a tax of [~~2.5%~~] 4% on all short-term leases and rentals of motor vehicles not exceeding 30 days.

(b) The tax imposed in this section is in addition to all other state, county, or municipal fees and taxes imposed on rentals of motor vehicles.

(2) (a) Subject to Subsection (2)(b), a tax rate repeal or tax rate change for the tax imposed under Subsection (1) shall take effect on the first day of a calendar quarter.

(b) (i) For a transaction subject to a tax under Subsection (1), a tax rate increase shall take effect on the first day of the first billing period:

(A) that begins after the effective date of the tax rate increase; and

(B) if the billing period for the transaction begins before the effective date of a tax rate increase imposed under Subsection (1).

(ii) For a transaction subject to a tax under Subsection (1), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax or the tax rate decrease; and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under Subsection (1).

(3) A motor vehicle is exempt from the tax imposed under Subsection (1) if:

(a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;

(b) the motor vehicle is rented as a personal household goods moving van; or

(c) the lease or rental of the motor vehicle is made for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair agreement or an insurance agreement.

(4) (a) (i) The tax authorized under this section shall be administered, collected, and enforced in accordance with:

(A) the same procedures used to administer, collect, and enforce the tax under Part 1, Tax Collection; and

(B) Chapter 1, General Taxation Policies.

(ii) Notwithstanding Subsection (4)(a)(i), a tax under this part is not subject to Subsections 59-12-103(4) through (10) or Section 59-12-107.1 or 59-12-123.

(b) The commission shall retain and deposit an administrative charge in accordance with Section 59-1-306 from the ~~[revenues]~~ revenue the commission collects from a tax under this part.

(c) (i) Except as provided under Subsection (4)(b), all revenue received by the commission under this section shall be deposited daily with the state treasurer and credited monthly ~~[to the Marda Dillree Corridor Preservation Fund under Section 72-2-117:]~~ as described in Subsection (4)(c)(ii).

(ii) The state treasurer shall credit:

(A) an amount equivalent to a 2.5% tax rate described in Subsection (1) to the Marda Dillree Corridor Preservation Fund created in Section 72-2-117; and

(B) an amount equivalent to a 1.5% tax rate described in Subsection (1) to the Transit Transportation Investment Fund created in Section 72-2-124.

Section 13. Section 59-12-2214 is amended to read:

59-12-2214. County, city, or town option sales and use tax to fund a system for public transit, an airport facility, a water conservation project, or to be deposited into the County of the First Class Highway Projects Fund -- Base -- Rate.

(1) Subject to the other provisions of this part, a county, city, or town may impose a sales and use tax of .25% on the transactions described in Subsection 59-12-103(1) located within the county, city, or town.

(2) Notwithstanding Section 59-12-2212.2, and subject to ~~[Subsection (3)]~~ Subsections (3) and (4), a county, city, or town that imposes a sales and use tax under this section shall expend the revenues collected from the sales and use tax:

(a) to fund a system for public transit;

(b) to fund a project or service related to an airport facility for the portion of the project or service that is performed within the county, city, or town within which the sales and use tax is imposed:

(i) for a county that imposes the sales and use tax, if the airport facility is part of the regional transportation plan of the area metropolitan planning organization if a metropolitan planning organization exists for the area; or

(ii) for a city or town that imposes the sales and use tax, if:

(A) that city or town is located within a county of the second class;

(B) that city or town owns or operates the airport facility; and

(C) an airline is headquartered in that city or town; or

(c) for a combination of Subsections (2)(a) and (b).

(3) A county of the first class that imposes a sales and use tax under this section shall expend the revenues collected from the sales and use tax as follows:

(a) 80% of the revenues collected from the sales and use tax shall be expended to fund a system for public transit; and

(b) 20% of the revenues collected from the sales and use tax shall be deposited into the County of the First Class Highway Projects Fund created by Section 72-2-121.

(4) (a) A county of the third class that has a portion of the county annexed into a large public transit district and that has imposed a sales and use tax under this section as of January 1, 2020, may change the list of purposes for which the sales and use tax revenue may be expended if:

(i) the proposed uses of the sales and use tax revenue are allowed uses described in this section; and

(ii) the county legislative body passes an ordinance describing the allowed uses of the sales and use tax revenue.

(b) Notwithstanding Section 59-12-2208, and regardless of whether the imposition of the sales and use tax imposed under this section was submitted to the voters as described in Section 59-12-2208, the county legislative body is not required to submit an opinion question to the county's registered voters to change the allowed uses as described in Subsection (4)(a).

Section 14. Section 59-12-2215 is amended to read:

59-12-2215. City or town option sales and use tax for highways or to fund a system for public transit -- Base -- Rate.

(1) Subject to the other provisions of this part, a city or town may impose a sales and use tax of up to .30% on the transactions described in Subsection 59-12-103(1) located within the city or town.

(2) A city or town imposing a sales and use tax under this section shall expend the revenues collected from the sales and use tax as described in Section 59-12-2212.2.

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

Section 15. Section **59-12-2217** is amended to read:

59-12-2217. County option sales and use tax for transportation -- Base -- Rate -- Written prioritization process -- Approval by county legislative body.

(1) Subject to the other provisions of this part, and subject to Subsection (8), a county legislative body may impose a sales and use tax of up to .25% on the transactions described in Subsection [59-12-103](#)(1) within the county, including the cities and towns within the county.

(2) (a) Except as provided in Subsection (2)(b), and subject to Subsections (3) through (6) and Section [59-12-2207](#), the revenue collected from a sales and use tax under this section may only be expended as described in Section [59-12-2212.2](#).

(b) Subject to Subsections (3) through (6), in a county of the first or second class, or if a county is part of an area metropolitan planning organization, that portion of the county within the metropolitan planning organization, the revenue collected from a sales and use tax under this section may only be expended as described in Section [59-12-2212.2](#), and only if the expenditure is for:

(i) a project or service:

(A) relating to a regionally significant transportation facility or collector road for the portion of the project or service that is performed within the county;

(B) for new capacity or congestion mitigation, and not for operation or maintenance, if the project or service is performed within the county; and

(C) on a priority list created by the county's council of governments in accordance with Subsection (5) and approved by the county legislative body in accordance with Subsection (5);

(ii) corridor preservation for a project or service described in Subsection (2)(b)(i)(A) or (B); or

(iii) debt service or bond issuance costs related to a project or service described in Subsection (2)(b)(i)(A) or (B).

(c) The restriction in Subsection (2)(b)(i)(B) from using revenue for operation or maintenance does not apply to any revenue subject to rights or obligations under a contract entered into before January 1, 2019, between a county and a public transit district.

(3) For revenue expended under this section for a project or service described in Subsection (2) that is on or part of a regionally significant transportation facility and that constructs or adds a new through lane or interchange, or provides new fixed guideway public transit service, the project shall be part of:

(a) the statewide long-range plan; or

(b) a regional transportation plan of the area metropolitan planning organization if a metropolitan planning organization area exists for the area.

(4) (a) As provided in this Subsection (4), a council of governments shall:

(i) develop a written prioritization process for the prioritization of projects to be funded by revenues collected from a sales and use tax under this section;

(ii) create a priority list of transportation projects or services described in Section 59-12-2212.2 in accordance with Subsection (5); and

(iii) present the priority list to the county legislative body for approval in accordance with Subsection (5).

(b) The written prioritization process described in Subsection (4)(a)(i) shall include:

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

(ii) subject to Subsection (4)(c), the specification of a weighted criteria system that the council of governments will use to rank proposed projects and how that weighted criteria system will be used to determine which proposed projects will be prioritized;

(iii) the specification of data that is necessary to apply the weighted criteria system;

(iv) application procedures for a project to be considered for prioritization by the council of governments; and

(v) any other provision the council of governments considers appropriate.

(c) The weighted criteria system described in Subsection (4)(b)(ii) shall include the following:

(i) the cost effectiveness of a project;

(ii) the degree to which a project will mitigate regional congestion;

(iii) the compliance requirements of applicable federal laws or regulations;

(iv) the economic impact of a project;

(v) the degree to which a project will require tax revenues to fund maintenance and

989 operation expenses; and

990 (vi) any other provision the council of governments considers appropriate.

991 (d) A council of governments of a county of the first or second class shall submit the
992 written prioritization process described in Subsection (4)(a)(i) to the Executive Appropriations
993 Committee for approval prior to taking final action on:

994 (i) the written prioritization process; or

995 (ii) any proposed amendment to the written prioritization process.

996 (5) (a) A council of governments shall use the weighted criteria system adopted in the
997 written prioritization process developed in accordance with Subsection (4) to create a priority
998 list of transportation projects or services for which revenues collected from a sales and use tax
999 under this section may be expended.

1000 (b) Before a council of governments may finalize a priority list or the funding level of a
1001 project, the council of governments shall conduct a public meeting on:

1002 (i) the written prioritization process; and

1003 (ii) the merits of the projects that are prioritized as part of the written prioritization
1004 process.

1005 (c) A council of governments shall make the weighted criteria system ranking for each
1006 project prioritized as part of the written prioritization process publicly available before the
1007 public meeting required by Subsection (5)(b) is held.

1008 (d) If a council of governments prioritizes a project over another project with a higher
1009 rank under the weighted criteria system, the council of governments shall:

1010 (i) identify the reasons for prioritizing the project over another project with a higher
1011 rank under the weighted criteria system at the public meeting required by Subsection (5)(b);
1012 and

1013 (ii) make the reasons described in Subsection (5)(d)(i) publicly available.

1014 (e) Subject to Subsections (5)(f) and (g), after a council of governments finalizes a
1015 priority list in accordance with this Subsection (5), the council of governments shall:

1016 (i) submit the priority list to the county legislative body for approval; and

1017 (ii) obtain approval of the priority list from a majority of the members of the county
1018 legislative body.

1019 (f) A council of governments may only submit one priority list per calendar year to the

1020 county legislative body.

1021 (g) A county legislative body may only consider and approve one priority list submitted
1022 under Subsection (5)(e) per calendar year.

1023 (6) In a county of the first class, revenues collected from a sales and use tax under this
1024 section that a county allocates for a purpose described in Subsection 59-12-2212.2 shall be:

1025 (a) deposited in or transferred to the County of the First Class Highway Projects Fund
1026 created by Section 72-2-121; and

1027 (b) expended as provided in Section 72-2-121.

1028 (7) Notwithstanding Section 59-12-2208, a county legislative body may, but is not
1029 required to, submit an opinion question to the county's registered voters in accordance with
1030 Section 59-12-2208 to impose a sales and use tax under this section.

1031 (8) (a) (i) Notwithstanding any other provision in this section, if the entire boundary of
1032 a county is annexed into a large public transit district, if the county legislative body wishes to
1033 impose a sales and use tax under this section, the county legislative body shall pass the
1034 ordinance to impose a sales and use tax under this section on or before June 30, 2022.

1035 (ii) If the entire boundary of a county is annexed into a large public transit district, the
1036 county legislative body may not pass an ordinance to impose a sales and use tax under this
1037 section on or after July 1, 2022.

1038 (b) Notwithstanding the deadline described in Subsection (8)(a), any sales and use tax
1039 imposed under this section on or before June 30, 2022, may remain in effect.

1040 Section 16. Section 72-1-213.1 is amended to read:

1041 **72-1-213.1. Road usage charge program.**

1042 (1) As used in this section:

1043 (a) "Account manager" means an entity under contract with the department to
1044 administer and manage the road usage charge program.

1045 (b) "Alternative fuel vehicle" means the same as that term is defined in Section
1046 41-1a-102.

1047 (c) "Payment period" means the interval during which an owner is required to report
1048 mileage and pay the appropriate road usage charge according to the terms of the program.

1049 (d) "Program" means the road usage charge program established and described in this
1050 section.

1051 (2) There is established a road usage charge program as described in this section.

1052 (3) (a) The department shall implement and oversee the administration of the program,
1053 which shall begin on January 1, 2020.

1054 (b) To implement and administer the program, the department may contract with an
1055 account manager.

1056 (4) (a) The owner or lessee of an alternative fuel vehicle may apply for enrollment of
1057 the alternative fuel vehicle in the program.

1058 (b) If an application for enrollment into the program is approved by the department, the
1059 owner or lessee of an alternative fuel vehicle may participate in the program in lieu of paying
1060 the fee described in Subsection 41-1a-1206(1)(h) or (2)(b).

1061 (5) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1062 and consistent with this section, the department:

1063 (i) shall make rules to establish:

1064 (A) processes and terms for enrollment into and withdrawal or removal from the
1065 program;

1066 (B) payment periods and other payment methods and procedures for the program;

1067 (C) standards for mileage reporting mechanisms for an owner or lessee of an
1068 alternative fuel vehicle to report mileage as part of participation in the program;

1069 (D) standards for program functions for mileage recording, payment processing,
1070 account management, and other similar aspects of the program;

1071 (E) contractual terms between an owner or lessee of an alternative fuel vehicle owner
1072 and an account manager for participation in the program;

1073 (F) contractual terms between the department and an account manager, including
1074 authority for an account manager to enforce the terms of the program;

1075 (G) procedures to provide security and protection of personal information and data
1076 connected to the program, and penalties for account managers for violating privacy protection
1077 rules;

1078 (H) penalty procedures for a program participant's failure to pay a road usage charge or
1079 tampering with a device necessary for the program; and

1080 (I) department oversight of an account manager, including privacy protection of
1081 personal information and access and auditing capability of financial and other records related to

1082 administration of the program; and

1083 (ii) may make rules to establish:

1084 (A) an enrollment cap for certain alternative fuel vehicle types to participate in the
1085 program;

1086 (B) a process for collection of an unpaid road usage charge or penalty; or

1087 (C) integration of the program with other similar programs, such as tolling.

1088 (b) The department shall make recommendations to and consult with the commission
1089 regarding road usage mileage rates for each type of alternative fuel vehicle.

1090 (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and
1091 consistent with this section, the commission shall, after consultation with the department, make
1092 rules to establish the road usage charge mileage rate for each type of alternative fuel vehicle.

1093 (7) (a) Revenue generated by the road usage charge program and relevant penalties
1094 shall be deposited into the Transportation Fund.

1095 (b) The department may use revenue generated by the program to cover the costs of
1096 administering the program.

1097 (8) (a) The department may:

1098 (i) (A) impose a penalty for failure to timely pay a road usage charge according to the
1099 terms of the program or tampering with a device necessary for the program; and

1100 (B) request that the Division of Motor Vehicles place a hold on the registration of the
1101 owner's or lessee's alternative fuel vehicle for failure to pay a road usage charge according to
1102 the terms of the program;

1103 (ii) send correspondence to the owner of an alternative fuel vehicle to inform the owner
1104 or lessee of:

1105 (A) the road usage charge program, implementation, and procedures;

1106 (B) an unpaid road usage charge and the amount of the road usage charge to be paid to
1107 the department;

1108 (C) the penalty for failure to pay a road usage charge within the time period described
1109 in Subsection (8)(a)(iii); and

1110 (D) a hold being placed on the owner's or lessee's registration for the alternative fuel
1111 vehicle, if the road usage charge and penalty are not paid within the time period described in
1112 Subsection (8)(a)(iii), which would prevent the renewal of the alternative fuel vehicle's

1113 registration; and

1114 (iii) require that the owner or lessee of the alternative fuel vehicle pay the road usage
1115 charge to the department within 30 days of the date when the department sends written notice
1116 of the road usage charge to the owner or lessee.

1117 (b) The department shall send the correspondence and notice described in Subsection
1118 (8)(a) to the owner of the alternative fuel vehicle according to the terms of the program.

1119 (9) (a) The Division of Motor Vehicles and the department shall share and provide
1120 access to information pertaining to an alternative fuel vehicle and participation in the program
1121 including:

1122 (i) registration and ownership information pertaining to an alternative fuel vehicle;

1123 (ii) information regarding the failure of an alternative fuel vehicle owner or lessee to
1124 pay a road usage charge or penalty imposed under this section within the time period described
1125 in Subsection (8)(a)(iii); and

1126 (iii) the status of a request for a hold on the registration of an alternative fuel vehicle.

1127 (b) If the department requests a hold on the registration in accordance with this section,
1128 the Division of Motor Vehicles may not renew the registration of a motor vehicle under Title
1129 41, Chapter 1a, Part 2, Registration, until the department withdraws the hold request.

1130 (10) The owner of an alternative fuel vehicle may apply for enrollment in the program
1131 or withdraw from the program according to the terms established by the department pursuant to
1132 rules made under Subsection (5).

1133 (11) If enrolled in the program, the owner or lessee of an alternative fuel vehicle shall:

1134 (a) report mileage driven as required by the department pursuant to Subsection (5);

1135 (b) pay the road usage fee for each payment period as set by the department and the
1136 commission pursuant to Subsections (5) and (6); and

1137 (c) comply with all other provisions of this section and other requirements of the
1138 program.

1139 (12) (a) On or before June 1, 2021, and except for the vehicles excluded in Subsection
1140 (12)(b), the department shall submit to a legislative committee designated by the Legislative
1141 Management Committee a written plan to enroll all vehicles registered in the state in the
1142 program by December 31, 2031.

1143 (b) The plan described in Subsection (12)(a) may exclude authorized carriers described

1144 in Subsection [59-12-102](#)(17)(a).

1145 (c) Beginning in 2021, on or before October 1 of each year, the department shall
1146 submit annually an electronic report recommending strategies to expand enrollment in the
1147 program to meet the deadline provided in Subsection (12)(a).

1148 (13) Beginning in 2021, the department shall submit annually, on or before October 1,
1149 to the legislative committee that receives the report described in Subsection (12), an electronic
1150 report that:

1151 (a) states for the preceding fiscal year:

1152 (i) the amount of revenue collected from the program;

1153 (ii) the participation rate in the program; and

1154 (iii) the department's costs to administer the program; and

1155 (b) provides for the current fiscal year, an estimate of:

1156 (i) the revenue that will be collected from the program;

1157 (ii) the participation rate in the program; and

1158 (iii) the department's costs to administer the program.

1159 Section 17. Section **72-1-303** is amended to read:

1160 **72-1-303. Duties of commission.**

1161 (1) The commission has the following duties:

1162 (a) determining priorities and funding levels of projects in the state transportation
1163 systems and capital development of new public transit facilities for each fiscal year based on
1164 project lists compiled by the department and taking into consideration the strategic initiatives
1165 described in Section [72-1-211](#);

1166 (b) determining additions and deletions to state highways under Chapter 4, Designation
1167 of State Highways Act;

1168 (c) holding public hearings and otherwise providing for public input in transportation
1169 matters;

1170 (d) making policies and rules in accordance with Title 63G, Chapter 3, Utah
1171 Administrative Rulemaking Act, necessary to perform the commission's duties described under
1172 this section;

1173 (e) in accordance with Section [63G-4-301](#), reviewing orders issued by the executive
1174 director in adjudicative proceedings held in accordance with Title 63G, Chapter 4,

1175 Administrative Procedures Act;

1176 (f) advising the department in state transportation systems policy;

1177 (g) approving settlement agreements of condemnation cases subject to Section

1178 63G-10-401;

1179 (h) in accordance with Section 17B-2a-807, appointing a commissioner to serve as a

1180 nonvoting, ex officio member or a voting member on the board of trustees of a public transit

1181 district;

1182 (i) in accordance with Section 17B-2a-808, reviewing, at least annually, the short-term

1183 and long-range public transit plans; and

1184 (j) reviewing administrative rules made, substantively amended, or repealed by the

1185 department.

1186 (2) (a) For projects prioritized with funding provided under Sections 72-2-124 and

1187 72-2-125, the commission shall annually report to a committee designated by the Legislative

1188 Management Committee:

1189 (i) a prioritized list of the new transportation capacity projects in the state

1190 transportation system and the funding levels available for those projects; and

1191 (ii) the unfunded highway construction and maintenance needs within the state.

1192 (b) The committee designated by the Legislative Management Committee under

1193 Subsection (2)(a) shall:

1194 (i) review the list reported by the Transportation Commission; and

1195 (ii) make a recommendation to the Legislature on:

1196 (A) the amount of additional funding to allocate to transportation; and

1197 (B) the source of revenue for the additional funding allocation under Subsection

1198 (2)(b)(ii)(A).

1199 (3) The commission shall review and may approve plans for the construction of a

1200 highway facility over sovereign lakebed lands in accordance with Chapter 6, Part 3, Approval

1201 of Highway Facilities on Sovereign Lands Act.

1202 Section 18. Section 72-1-304 is amended to read:

1203 **72-1-304. Written project prioritization process for new transportation capacity**

1204 **projects -- Rulemaking.**

1205 (1) (a) The Transportation Commission, in consultation with the department and the

1206 metropolitan planning organizations as defined in Section 72-1-208.5, shall develop a written
1207 prioritization process for the prioritization of:

1208 (i) new transportation capacity projects that are or will be part of the state highway
1209 system under Chapter 4, Part 1, State Highways;

1210 (ii) paved pedestrian or paved nonmotorized transportation projects that:

1211 (A) mitigate traffic congestion on the state highway system; and

1212 (B) are part of an active transportation plan approved by the department;

1213 (iii) public transit projects that add capacity to the public transit systems within the
1214 state; and

1215 (iv) pedestrian or nonmotorized transportation projects that provide connection to a
1216 public transit system.

1217 (b) (i) A local government or district may nominate a project for prioritization in
1218 accordance with the process established by the commission in rule.

1219 (ii) If a local government or district nominates a project for prioritization by the
1220 commission, the local government or district shall provide data and evidence to show that:

1221 (A) the project will advance the purposes and goals described in Section 72-1-211;

1222 (B) for a public transit project, the local government or district has an ongoing funding
1223 source for operations and maintenance of the proposed development; and

1224 (C) the local government or district will provide 40% of the costs for the project as
1225 required by Subsection 72-2-124(4)(a)(viii) or 72-2-124(9)(e).

1226 (2) The following shall be included in the written prioritization process under
1227 Subsection (1):

1228 (a) a description of how the strategic initiatives of the department adopted under
1229 Section 72-1-211 are advanced by the written prioritization process;

1230 (b) a definition of the type of projects to which the written prioritization process
1231 applies;

1232 (c) specification of a weighted criteria system that is used to rank proposed projects
1233 and how it will be used to determine which projects will be prioritized;

1234 (d) specification of the data that is necessary to apply the weighted ranking criteria; and

1235 (e) any other provisions the commission considers appropriate, which may include
1236 consideration of:

1237 (i) regional and statewide economic development impacts, including improved local
1238 access to:

1239 (A) employment;

1240 (B) educational facilities;

1241 (C) recreation;

1242 (D) commerce; and

1243 (E) residential areas, including moderate income housing as demonstrated in the local
1244 government's or district's general plan pursuant to Section 10-9a-403 or 17-27a-403;

1245 (ii) the extent to which local land use plans relevant to a project support and
1246 accomplish the strategic initiatives adopted under Section 72-1-211; and

1247 (iii) any matching funds provided by a political subdivision or public transit district in
1248 addition to the 40% required by Subsections 72-2-124(4)(a)(viii) and 72-2-124(9)(e).

1249 (3) When prioritizing a public transit project that increases capacity, the commission
1250 may give priority consideration to projects that are part of a transit-oriented development or
1251 transit-supportive development as defined in Section 17B-2a-802.

1252 ~~[(3)]~~ (4) In developing the written prioritization process, the commission:

1253 (a) shall seek and consider public comment by holding public meetings at locations
1254 throughout the state; and

1255 (b) may not consider local matching dollars as provided under Section 72-2-123 unless
1256 the state provides an equal opportunity to raise local matching dollars for state highway
1257 improvements within each county.

1258 ~~[(4)]~~ (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
1259 Act, the Transportation Commission, in consultation with the department, shall make rules
1260 establishing the written prioritization process under Subsection (1).

1261 ~~[(5)]~~ (6) The commission shall submit the proposed rules under this section to a
1262 committee or task force designated by the Legislative Management Committee for review prior
1263 to taking final action on the proposed rules or any proposed amendment to the rules described
1264 in Subsection ~~[(4)]~~ (5).

1265 Section 19. Section 72-2-107 is amended to read:

1266 **72-2-107. Appropriation from Transportation Fund -- Apportionment for class B**
1267 **and class C roads.**

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

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

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

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

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

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

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

Section 20. Section 72-2-108 is amended to read:

72-2-108. Apportionment of funds available for use on class B and class C roads -- Bonds.

(1) For purposes of this section:

(a) "Eligible county" means a county of the fifth class, as described in Section 17-50-501, that received a distribution for fiscal year 2015 that was reapportioned to include money in addition to the amount calculated under Subsection (2), and the portion of the

1299 distribution derived from the calculation under Subsection (2) was less than 60% of the total
1300 distribution.

1301 (b) "Graveled road" means a road:

1302 (i) that is:

1303 (A) graded; and

1304 (B) drained by transverse drainage systems to prevent serious impairment of the road
1305 by surface water;

1306 (ii) that has an improved surface; and

1307 (iii) that has a wearing surface made of:

1308 (A) gravel;

1309 (B) broken stone;

1310 (C) slag;

1311 (D) iron ore;

1312 (E) shale; or

1313 (F) other material that is:

1314 (I) similar to a material described in Subsection (1)(b)(iii)(A) through (E); and

1315 (II) coarser than sand.

1316 (c) "Paved road" includes a graveled road with a chip seal surface.

1317 (d) "Road mile" means a one-mile length of road, regardless of:

1318 (i) the width of the road; or

1319 (ii) the number of lanes into which the road is divided.

1320 (e) "Weighted mileage" means the sum of the following:

1321 (i) paved road miles multiplied by five; and

1322 (ii) all other road type road miles multiplied by two.

1323 (2) Subject to the provisions of Subsections (3) through (7), funds appropriated for
1324 class B and class C roads shall be apportioned among counties and municipalities in the
1325 following manner:

1326 (a) 50% in the ratio that the class B roads weighted mileage within each county and
1327 class C roads weighted mileage within each municipality bear to the total class B and class C
1328 roads weighted mileage within the state; and

1329 (b) 50% in the ratio that the population of a county or municipality bears to the total

population of the state as of the last official federal census or the United States Bureau of Census estimate, whichever is most recent, except that if population estimates are not available from the United States Bureau of Census, population figures shall be derived from the estimate from the Utah Population Committee.

(3) For purposes of Subsection (2)(b), "the population of a county" means:

(a) for a county of the first class with a metro township, as defined in Section 10-2a-403, within the boundaries of the county as of January 1, 2020:

(i) the population of a county outside the corporate limits of municipalities in that county, if the population of the county outside the corporate limits of municipalities in that county is not less than 7% of the total population of that county, including municipalities; and

(ii) if the population of a county outside the corporate limits of municipalities in the county is less than 7% of the total population:

(A) the aggregate percentage of the population apportioned to municipalities in that county shall be reduced by an amount equal to the difference between:

(I) 7%; and

(II) the actual percentage of population outside the corporate limits of municipalities in that county; and

(B) the population apportioned to the county shall be 7% of the total population of that county, including incorporated municipalities; or

(b) for any county not described in Subsection (3)(a):

~~[(a)]~~ (i) the population of a county outside the corporate limits of municipalities in that county, if the population of the county outside the corporate limits of municipalities in that county is not less than 14% of the total population of that county, including municipalities; and

~~[(b)]~~ (ii) if the population of a county outside the corporate limits of municipalities in the county is less than 14% of the total population:

~~[(i)]~~ (A) the aggregate percentage of the population apportioned to municipalities in that county shall be reduced by an amount equal to the difference between:

~~[(A)]~~ (I) 14%; and

~~[(B)]~~ (II) the actual percentage of population outside the corporate limits of municipalities in that county; and

~~[(ii)]~~ (B) the population apportioned to the county shall be 14% of the total population

of that county, including incorporated municipalities.

(4) For an eligible county, the department shall reapportion the funds under Subsection (2) to ensure that the county or municipality receives, for a fiscal year beginning on or after July 1, 2018, an amount equal to the greater of:

(a) the amount apportioned to the county or municipality for class B and class C roads in the current fiscal year under Subsection (2); or

(b) (i) the amount apportioned to the county or municipality for class B and class C roads through the apportionment formula under Subsection (2) or this Subsection (4) in the prior fiscal year; plus

(ii) the amount calculated as described in Subsection (6).

(5) (a) The department shall decrease proportionately as provided in Subsection (5)(b) the apportionments to counties and municipalities for which the reapportionment under Subsection (4) does not apply.

(b) The aggregate amount of the funds that the department shall decrease proportionately from the apportionments under Subsection (5)(a) is an amount equal to the aggregate amount reapportioned to counties and municipalities under Subsection (4).

(6) (a) In addition to the apportionment adjustments made under Subsection (4), a county or municipality that qualifies for reapportioned money under Subsection (4) shall receive an amount equal to the amount apportioned to the eligible county or municipality under Subsection (4) for class B and class C roads in the prior fiscal year multiplied by the percentage increase or decrease in the total funds available for class B and class C roads between the prior fiscal year and the fiscal year that immediately preceded the prior fiscal year.

(b) The adjustment under Subsection (6)(a) shall be made in the same way as provided in Subsections (5)(a) and (b).

(7) (a) If a county or municipality does not qualify for a reapportionment under Subsection (4) in the current fiscal year but previously qualified for a reapportionment under Subsection (4) on or after July 1, 2017, the county or municipality shall receive an amount equal to the greater of:

(i) the amount apportioned to the county or municipality for class B and class C roads in the current fiscal year under Subsection (2); or

(ii) the amount apportioned to the county or municipality for class B and class C roads

in the prior fiscal year.

(b) The adjustment under Subsection (7)(a) shall be made in the same way as provided in Subsections (5)(a) and (b).

(8) The governing body of any municipality or county may issue bonds redeemable up to a period of 10 years under Title 11, Chapter 14, Local Government Bonding Act, to pay the costs of constructing, repairing, and maintaining class B or class C roads and may pledge class B or class C road funds received pursuant to this section to pay principal, interest, premiums, and reserves for the bonds.

Section 21. Section **72-2-124** is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

(iii) principal, interest, and issuance costs of bonds authorized by Section [63B-18-401](#) minus the costs paid from the County of the First Class Highway Projects Fund in accordance

with Subsection 72-2-121(4)(f);

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

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

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

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

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

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

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

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

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

(5) (a) Except as provided in Subsection (5)(b), the executive director may not ~~use~~ program fund money to a project prioritized by the commission under Section 72-1-304, including fund money from the Transit Transportation Investment Fund, within the boundaries of a municipality that is required to adopt a moderate income housing plan element as part of the municipality's general plan as described in Subsection 10-9a-401(3), if the municipality has failed to adopt a moderate income housing plan element as part of the municipality's general plan or has failed to implement the requirements of the moderate income housing plan as determined by the results of the Department of Workforce Service's review of the annual moderate income housing report described in Subsection 35A-8-803(1)(a)(vii).

(b) Within the boundaries of a municipality that is required under Subsection

10-9a-401(3) to plan for moderate income housing growth but has failed to adopt a moderate income housing plan element as part of the municipality's general plan or has failed to implement the requirements of the moderate income housing plan as determined by the results of the Department of Workforce Service's review of the annual moderate income housing report described in Subsection 35A-8-803(1)(a)(vii), the executive director:

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

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

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

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

(c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive director before May 1, 2020, for projects prioritized by the commission under Section 72-1-304.

(6) (a) Except as provided in Subsection (6)(b), the executive director may not ~~use~~ program fund money to a project prioritized by the commission under Section 72-1-304, including fund money from the Transit Transportation Investment Fund, within the boundaries of the unincorporated area of a county, if the county is required to adopt a moderate income housing plan element as part of the county's general plan as described in Subsection 17-27a-401(3) and if the county has failed to adopt a moderate income housing plan element as part of the county's general plan or has failed to implement the requirements of the moderate income housing plan as determined by the results of the Department of Workforce Service's review of the annual moderate income housing report described in Subsection 35A-8-803(1)(a)(vii).

(b) Within the boundaries of the unincorporated area of a county where the county is required under Subsection 17-27a-401(3) to plan for moderate income housing growth but has failed to adopt a moderate income housing plan element as part of the county's general plan or has failed to implement the requirements of the moderate income housing plan as determined

by the results of the Department of Workforce Service's review of the annual moderate income housing report described in Subsection [35A-8-803\(1\)\(a\)\(vii\)](#), the executive director:

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

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

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

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

(c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive director before July 1, 2020, for projects prioritized by the commission under Section [72-1-304](#).

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

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

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

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

(b) The fund shall be funded by:

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

(ii) appropriations into the account by the Legislature;

(iii) private contributions; ~~[and]~~

(iv) contributions deposited into the fund in accordance with Section [59-12-1201](#); and
~~[(iv)]~~ (v) donations or grants from public or private entities.

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

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

(d) Subject to Subsection (9)(e), the Legislature may appropriate money from the fund for public transit capital development of new capacity projects to be used as prioritized by the commission.

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

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

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

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

Section 22. Section **72-2-131** is enacted to read:

72-2-131. Transportation Reinvestment Zone Fund.

(1) There is created in the Transportation Investment Fund of 2005, created in Section [72-2-124](#), the Transportation Reinvestment Zone Fund.

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

(a) appropriations made to the fund by the Legislature; and

(b) revenue generated by a portion of state sales and use tax within a transportation reinvestment zone created under Section [11-13-227](#) to which the state is a party and pursuant to the terms of the transportation reinvestment zone agreement.

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

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

(4) (a) Subject to appropriation, the department may expend money from the fund for transportation infrastructure or public transit capacity infrastructure that is the subject of a

1547 transportation reinvestment zone agreement to which the state is a party.

1548 (b) The terms of each transportation reinvestment zone to which the state is proposed
1549 as a party and pursuant to which funds will be expended from the fund is subject to approval by
1550 the Legislature, including legislation dedicating a portion of state sales tax revenue committed
1551 to the transportation reinvestment zone.

1552 Section 23. Section **72-6-118** is amended to read:

1553 **72-6-118. Definitions -- Establishment and operation of tollways -- Imposition**
1554 **and collection of tolls -- Amount of tolls -- Rulemaking.**

1555 (1) As used in this section:

1556 (a) "High occupancy toll lane" means a high occupancy vehicle lane designated under
1557 Section **41-6a-702** that may be used by an operator of a vehicle carrying less than the number
1558 of persons specified for the high occupancy vehicle lane if the operator of the vehicle pays a
1559 toll or fee.

1560 (b) "Toll" means any tax, fee, or charge assessed for the specific use of a tollway.

1561 (c) "Toll lane" means a designated new highway or additional lane capacity that is
1562 constructed, operated, or maintained for which a toll is charged for its use.

1563 (d) (i) "Tollway" means a highway, highway lane, bridge, path, tunnel, or right-of-way
1564 designed and used as a transportation route that is constructed, operated, or maintained through
1565 the use of toll revenues.

1566 (ii) "Tollway" includes a high occupancy toll lane and a toll lane.

1567 (e) "Tollway development agreement" has the same meaning as defined in Section
1568 **72-6-202**.

1569 (2) Subject to the provisions of Subsection (3), the department may:

1570 (a) establish, expand, and operate tollways and related facilities for the purpose of
1571 funding in whole or in part the acquisition of right-of-way and the design, construction,
1572 reconstruction, operation, enforcement, and maintenance of or impacts from a transportation
1573 route for use by the public;

1574 (b) enter into contracts, agreements, licenses, franchises, tollway development
1575 agreements, or other arrangements to implement this section;

1576 (c) impose and collect tolls on any tollway established under this section, including
1577 collection of past due payment of a toll or penalty;

(d) grant exclusive or nonexclusive rights to a private entity to impose and collect tolls pursuant to the terms and conditions of a tollway development agreement;

(e) use technology to automatically monitor a tollway and collect payment of a toll, including:

(i) license plate reading technology; and

(ii) photographic or video recording technology; and

(f) in accordance with Subsection (5), request that the Division of Motor Vehicles deny a request for registration of a motor vehicle if the motor vehicle owner has failed to pay a toll or penalty imposed for usage of a tollway involving the motor vehicle for which registration renewal has been requested.

(3) (a) The department may establish or operate a tollway on an existing highway if approved by the commission in accordance with the terms of this section.

(b) To establish a tollway on an existing highway, the department shall submit a proposal to the commission including:

(i) a description of the tollway project;

(ii) projected traffic on the tollway;

(iii) the anticipated amount of the toll to be charged; and

(iv) projected toll revenue.

(4) (a) For a tollway established under this section, the department may:

(i) according to the terms of each tollway, impose the toll upon the owner of a motor vehicle using the tollway according to the terms of the tollway;

(ii) send correspondence to the owner of the motor vehicle to inform the owner of:

(A) an unpaid toll and the amount of the toll to be paid to the department;

(B) the penalty for failure to pay the toll timely; and

(C) a hold being placed on the owner's registration for the motor vehicle if the toll and penalty are not paid timely, which would prevent the renewal of the motor vehicle's registration;

(iii) require that the owner of the motor vehicle pay the toll to the department within 30 days of the date when the department sends written notice of the toll to the owner; and

(iv) impose a penalty for failure to pay a toll timely.

(b) The department shall mail the correspondence and notice described in Subsection

1609 (4)(a) to the owner of the motor vehicle according to the terms of a tollway.

1610 (5) (a) The Division of Motor Vehicles and the department shall share and provide
1611 access to information pertaining to a motor vehicle and tollway enforcement including:

1612 (i) registration and ownership information pertaining to a motor vehicle;

1613 (ii) information regarding the failure of a motor vehicle owner to timely pay a toll or
1614 penalty imposed under this section; and

1615 (iii) the status of a request for a hold on the registration of a motor vehicle.

1616 (b) If the department requests a hold on the registration in accordance with this section,
1617 the Division of Motor Vehicles may not renew the registration of a motor vehicle under Title
1618 41, Chapter 1a, Part 2, Registration, if the owner of the motor vehicle has failed to pay a toll or
1619 penalty imposed under this section for usage of a tollway involving the motor vehicle for which
1620 registration renewal has been requested until the department withdraws the hold request.

1621 (6) (a) Except as provided in Subsection (6)(b), in accordance with Title 63G, Chapter
1622 3, Utah Administrative Rulemaking Act, the commission shall:

1623 (i) set the amount of any toll imposed or collected on a tollway on a state highway; and

1624 (ii) for tolls established under Subsection (6)(b), set:

1625 (A) an increase in a toll rate or user fee above an increase specified in a tollway
1626 development agreement; or

1627 (B) an increase in a toll rate or user fee above a maximum toll rate specified in a
1628 tollway development agreement.

1629 (b) A toll or user fee and an increase to a toll or user fee imposed or collected on a
1630 tollway on a state highway that is the subject of a tollway development agreement shall be set
1631 in the tollway development agreement.

1632 (7) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1633 the department shall make rules:

1634 (i) necessary to establish and operate tollways on state highways;

1635 (ii) that establish standards and specifications for automatic tolling systems and
1636 automatic tollway monitoring technology; and

1637 (iii) to set the amount of a penalty for failure to pay a toll under this section.

1638 (b) The rules shall:

1639 (i) include minimum criteria for having a tollway; and

(ii) conform to regional and national standards for automatic tolling.

(8) (a) The commission may provide funds for public or private tollway pilot projects or high occupancy toll lanes from General Fund money appropriated by the Legislature to the commission for that purpose.

(b) The commission may determine priorities and funding levels for tollways designated under this section.

(9) (a) Except as provided in Subsection (9)(b), all revenue generated from a tollway on a state highway shall be deposited into the Tollway Special Revenue Fund created in Section 72-2-120 and used for ~~[acquisition of right-of-way and the design, construction, reconstruction, operation, maintenance, enforcement of state transportation systems and facilities, including operating improvements to the tollway, and other facilities used exclusively for the operation of a tollway facility within the corridor served by the tollway]~~ any state transportation purpose.

(b) Revenue generated from a tollway that is the subject of a tollway development agreement shall be deposited into the Tollway Special Revenue Fund and used in accordance with Subsection (9)(a) unless:

(i) the revenue is to a private entity through the tollway development agreement; or

(ii) the revenue is identified for a different purpose under the tollway development agreement.

(10) Data described in Subsection (2)(e) obtained for the purposes of this section:

(a) in accordance with Section 63G-2-305, is a protected record under Title 63G, Chapter 2, Government Records Access and Management Act, if the photographic or video data is maintained by a governmental entity;

(b) may not be used or shared for any purpose other than the purposes described in this section;

(c) may only be preserved:

(i) so long as necessary to collect the payment of a toll or penalty imposed in accordance with this section; or

(ii) pursuant to a warrant issued under the Utah Rules of Criminal Procedure or an equivalent federal warrant; and

(d) may only be disclosed:

1671 (i) in accordance with the disclosure requirements for a protected record under Section
1672 63G-2-202; or

1673 (ii) pursuant to a warrant issued under the Utah Rules of Criminal Procedure or an
1674 equivalent federal warrant.

1675 (11) (a) The department may not sell for any purpose photographic or video data
1676 captured under Subsection (2)(e)(ii).

1677 (b) The department may not share captured photographic or video data for a purpose
1678 not authorized under this section.

1679 (12) Before November 1, 2018, the Driver License Division, the Division of Motor
1680 Vehicles, and the department shall jointly study and report findings and recommendations to
1681 the Transportation Interim Committee regarding the use of Title 53, Chapter 3, Part 6, Drivers'
1682 License Compact, and other methods to collect a toll or penalty under this section from:

1683 (a) an owner of a motor vehicle registered outside this state; or

1684 (b) a driver or lessee of a motor vehicle leased or rented for 30 days or less.

1685 Section 24. Section 72-10-207 is amended to read:

1686 **72-10-207. Powers of department and political subdivisions over airports --**
1687 **Security unit.**

1688 (1) The department, and counties, municipalities, or other political subdivisions of this
1689 state that have established or may establish airports or that acquire, lease, or set apart real
1690 property for those purposes, may:

1691 (a) construct, equip, improve, maintain, and operate the airports or may vest the
1692 authority for their construction, equipment, improvement, maintenance, and operation in an
1693 officer of the department or in an officer, board, or body of the political subdivision;

1694 (b) adopt rules, establish charges, fees, and tolls for the use of airports and landing
1695 fields, fix penalties for the violation of the rules, and establish liens to enforce payment of the
1696 charges, fees, and tolls, subject to approval by the commission;

1697 (c) lease the airports to private parties for operation for a term not exceeding 50 years,
1698 as long as the public is not deprived of its rightful, equal, and uniform use of the facility;

1699 (d) lease or assign space, area, improvements, equipment, buildings, and facilities on
1700 the airports to private parties for operation for a term not exceeding 50 years;

1701 (e) lease or assign real property comprising all or any part of the airports to private

parties for the construction and operation of hangars, shop buildings, or office buildings for a term not exceeding 50 years, if the projected construction cost of the hangar, shop building, or office building is \$100,000 or more; and

(f) establish, maintain, operate, and staff a security unit for the purpose of enforcing state and local laws at any airport that is subject to federal airport security regulations.

(2) The department or political subdivision shall pay the construction, equipment, improvement, maintenance, and operations expenses of any airport established by them under Subsection (1).

(3) (a) If the department or political subdivision establishes a security unit under Subsection (1)(f), the department head or the governing body of the political subdivision shall appoint persons qualified as peace officers under Title 53, Chapter 13, Peace Officer Classifications to staff the security unit.

(b) A security unit appointed by the department or political subdivision is exempt from civil service regulations.

(c) If the department or political subdivision establishes a security unit under Subsection (1)(f), the department head or the governing body of the political subdivision:

(i) may allow peace officers or other workers to assist with airport operations and vehicle and traffic flow; and

(ii) may not allow peace officers or other workers to:

(A) unreasonably impede or obstruct traffic;

(B) create unsafe traffic situations; or

(C) intimidate vehicle drivers or airport passengers.

Section 25. Effective date.

This bill takes effect on May 12, 2020, with the exceptions of:

(1) Section [59-12-1201](#), which takes effect on July 1, 2020;

(2) Section [41-1a-902](#), which takes effect on October 1, 2020; and

(3) Section [41-1a-1206](#), which takes effect on January 1, 2021.