

Jason B. Kyle proposes the following substitute bill:

Transportation Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: Kay J. Christofferson

LONG TITLE

General Description:

This bill amends provisions related to transportation items, transportation mobility plans, and adherence to proposed phases of certain transportation developments.

Highlighted Provisions:

This bill:

- requires cities and metropolitan planning organizations to identify transportation connectivity impediments and provide a report on plans to address transportation connectivity;
- requires periodic reporting and follow up on certain station area plans;
- requires property acquired by the Department of Transportation for a public transit purpose remain under the ownership of the Department of Transportation;
- designates certain legislative committees as recipients for certain required reports;
- creates requirements for air ambulance dispatch services;
- adjusts a sales and use tax earmark percentage to increase funding for transportation;
- extends a deadline for certain sales and use taxes to be allocated for public transit innovation grants;
- reinstates certain funding to the Department of Transportation for litter mitigation that was reduced due to the COVID-19 pandemic;
- requires the Department of Transportation to adhere to phasing of projects if required by the environmental impact statement;
- repeals certain outdated language and makes other technical changes;
- allocates revenue for certain road projects;
- requires the Department of Transportation and Salt Lake City to coordinate on certain traffic studies and planning;
- repeals certain highway-related name designations;

- provides maintenance responsibilities for certain street light infrastructure; and
- makes other technical changes.

Money Appropriated in this Bill:

This bill appropriates (\$330,000,000) in capital project funds for fiscal year 2026, all of which is from the General Fund.

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:**AMENDS:**

10-9a-403.1 (Effective 05/07/25), as last amended by Laws of Utah 2023, Chapter 219

17B-2a-824 (Effective 05/07/25), as enacted by Laws of Utah 2007, Chapter 329

41-6a-1642 (Effective 05/07/25), as last amended by Laws of Utah 2024, Chapters 459, 483

53-2a-1102 (Effective 05/07/25), as last amended by Laws of Utah 2023, Chapters 34, 471

53-2d-101 (Effective 05/07/25), as last amended by Laws of Utah 2024, Chapters 147, 438 and 506

59-12-103 (Effective 07/01/25), as last amended by Laws of Utah 2024, Chapters 88, 501

59-12-2212.2 (Effective 05/07/25), as last amended by Laws of Utah 2024, Chapter 498

59-12-2219 (Effective 05/07/25), as last amended by Laws of Utah 2024, Chapter 498

59-12-2220 (Effective 05/07/25), as last amended by Laws of Utah 2024, Chapters 498, 501

63B-11-502 (Effective 05/07/25), as last amended by Laws of Utah 2010, Chapter 263

63B-31-101 (Effective 05/07/25), as last amended by Laws of Utah 2021, First Special Session, Chapter 8

63I-1-272 (Effective 05/07/25), as last amended by Laws of Utah 2024, Third Special Session, Chapter 5

63J-3-103 (Effective 05/07/25), as last amended by Laws of Utah 2024, Chapter 77

72-1-201 (Effective 05/07/25), as last amended by Laws of Utah 2024, Chapter 517

72-1-212 (Effective 05/07/25), as last amended by Laws of Utah 2023, Chapter 524

72-1-213.1 (Effective 05/07/25), as last amended by Laws of Utah 2022, Chapters 56, 259

72-1-217 (Effective upon governor's approval), as enacted by Laws of Utah 2023, Chapter 366

63 **72-1-303 (Effective 05/07/25)**, as last amended by Laws of Utah 2024, Chapter 498
64 **72-1-304 (Effective 05/07/25)**, as last amended by Laws of Utah 2024, Chapter 517
65 **72-1-305 (Effective 05/07/25)**, as last amended by Laws of Utah 2023, Chapters 22, 219
66 **72-2-106 (Effective 07/01/25)**, as last amended by Laws of Utah 2023, Chapter 22
67 **72-2-121 (Effective upon governor's approval)**, as last amended by Laws of Utah 2024,
68 Chapters 300, 498 and 501
69 **72-2-121.3 (Effective 05/07/25)**, as last amended by Laws of Utah 2020, Chapter 366
70 **72-2-123 (Effective 05/07/25)**, as last amended by Laws of Utah 2023, Chapter 22
71 **72-2-124 (Effective 05/07/25)**, as last amended by Laws of Utah 2024, Chapters 498, 501
72 **72-2-303 (Effective 05/07/25)**, as enacted by Laws of Utah 2024, Chapter 501
73 **72-2-401 (Effective 05/07/25)**, as enacted by Laws of Utah 2024, Chapter 498
74 **72-2-402 (Effective 05/07/25)**, as enacted by Laws of Utah 2024, Chapter 498
75 **72-2-403 (Effective 05/07/25)**, as enacted by Laws of Utah 2024, Chapter 498
76 **72-3-109 (Effective 05/07/25)**, as last amended by Laws of Utah 2018, Chapter 403
77 **72-6-118 (Effective 05/07/25)**, as last amended by Laws of Utah 2024, Chapter 517
78 **72-6-206 (Effective 05/07/25)**, as last amended by Laws of Utah 2016, Chapter 222
79 **72-10-109 (Effective 05/07/25)**, as last amended by Laws of Utah 2024, Chapters 483,
80 485

81 ENACTS:

82 **10-8-87 (Effective 05/07/25)**, Utah Code Annotated 1953
83 **53-2d-517 (Effective 05/07/25)**, Utah Code Annotated 1953

84 REPEALS:

85 **63B-8-503 (Effective 05/07/25)**, as enacted by Laws of Utah 1999, Chapter 331
86 **72-2-118 (Effective 05/07/25)**, as last amended by Laws of Utah 2018, Chapter 281
87 **72-4-222 (Effective 05/07/25)**, as enacted by Laws of Utah 2024, Chapter 435

88
89 *Be it enacted by the Legislature of the state of Utah:*

90 Section 1. Section **10-8-87** is enacted to read:

91 **10-8-87 (Effective 05/07/25). Transportation connectivity plan -- Reporting.**

92 (1) On or before July 1, 2027, a municipality within a metropolitan planning organization
93 boundary shall, in consultation with relevant stakeholders, update the transportation and
94 traffic circulation element of the municipality's general plan as described in Subsection
95 10-9a-403(2)(a)(ii) to identify priority connections to remedy physical impediments,
96 including water conveyances, that would improve circulation and enhance vehicle,

transit, bicycle, or pedestrian access to significant economic, educational, recreational, and other priority destinations.

(2) For a priority connection identified pursuant to Subsection (1), a municipality shall identify:

(a) cost estimates;

(b) potential funding sources, including state, local, federal, and private funding; and

(c) impediments to constructing the connections.

(3)(a) A metropolitan planning organization, in consultation with each affected municipality, shall report to the Transportation Interim Committee regarding:

(i) the status of the required municipal modifications to general plans required by Subsection (2);

(ii) the status of a regional roadway grid network study;

(iii) physical and other impediments to constructing priority transportation connections; and

(iv) potential funding sources, including state, local, federal, and private funding, to make transportation connectivity improvements.

(b) The metropolitan planning organization shall provide the report described in Subsection (3)(a) on or before November 1 of 2025, 2026, and 2027.

(4) Enhancement of transportation connectivity as described in Subsection (1) shall be given consideration in the prioritization processes described in Sections 72-1-304 and 72-2-302.

Section 2. Section **10-9a-403.1** is amended to read:

10-9a-403.1 (Effective 05/07/25). Station area plan requirements -- Contents -- Review and certification by applicable metropolitan planning organization.

(1) As used in this section:

(a) "Applicable metropolitan planning organization" means the metropolitan planning organization that has jurisdiction over the area in which a fixed guideway public transit station is located.

(b) "Applicable public transit district" means the public transit district, as defined in Section 17B-2a-802, of which a fixed guideway public transit station is included.

(c) "Existing fixed guideway public transit station" means a fixed guideway public transit station for which construction begins before June 1, 2022.

(d) "Fixed guideway" means the same as that term is defined in Section 59-12-102.

(e) "Metropolitan planning organization" means an organization established under 23

U.S.C. Sec. 134.

(f) "New fixed guideway public transit station" means a fixed guideway public transit station for which construction begins on or after June 1, 2022.

(g) "Qualifying land use petition" means a petition:

(i) that involves land located within a station area for an existing public transit station that provides rail services;

(ii) that involves land located within a station area for which the municipality has not yet satisfied the requirements of Subsection (2)(a);

(iii) that proposes the development of an area greater than five contiguous acres, with no less than 51% of the acreage within the station area;

(iv) that would require the municipality to amend the municipality's general plan or change a zoning designation for the land use application to be approved;

(v) that would require a higher density than the density currently allowed by the municipality;

(vi) that proposes the construction of new residential units, at least 10% of which are dedicated to moderate income housing; and

(vii) for which the land use applicant requests the municipality to initiate the process of satisfying the requirements of Subsection (2)(a) for the station area in which the development is proposed, subject to Subsection (3)(d).

(h)(i) "Station area" means:

(A) for a fixed guideway public transit station that provides rail services, the area within a one-half mile radius of the center of the fixed guideway public transit station platform; or

(B) for a fixed guideway public transit station that provides bus services only, the area within a one-fourth mile radius of the center of the fixed guideway public transit station platform.

(ii) "Station area" includes any parcel bisected by the radius limitation described in Subsection (1)(h)(i)(A) or (B).

(i) "Station area plan" means a plan that:

(i) establishes a vision, and the actions needed to implement that vision, for the development of land within a station area; and

(ii) is developed and adopted in accordance with this section.

(2)(a) Subject to the requirements of this section, a municipality that has a fixed guideway public transit station located within the municipality's boundaries shall, for

the station area:

(i) develop and adopt a station area plan; and

(ii) adopt any appropriate land use regulations to implement the station area plan.

(b) The requirements of Subsection (2)(a) shall be considered satisfied if:

(i)(A) the municipality has already adopted plans or ordinances, approved land use applications, approved agreements or financing, or investments have been made, before June 1, 2022, that substantially promote each of the objectives in Subsection (7)(a) within the station area, and can demonstrate that such plans, ordinances, approved land use applications, approved agreements or financing, or investments are still relevant to making meaningful progress towards achieving such objectives; and

(B) the municipality adopts a resolution finding that the objectives of Subsection (7)(a) have been substantially promoted.

(ii)(A) the municipality has determined that conditions exist that make satisfying a portion or all of the requirements of Subsection (2)(a) for a station area impracticable, including conditions that relate to existing development, entitlements, land ownership, land uses that make opportunities for new development and long-term redevelopment infeasible, environmental limitations, market readiness, development impediment conditions, or other similar conditions; and

(B) the municipality adopts a resolution describing the conditions that exist to make satisfying the requirements of Subsection (2)(a) impracticable.

(c) To the extent that previous actions by a municipality do not satisfy the requirements of Subsection (2)(a) for a station area, the municipality shall take the actions necessary to satisfy those requirements.

(3)(a) A municipality that has a new fixed guideway public transit station located within the municipality's boundaries shall satisfy the requirements of Subsection (2)(a) for the station area surrounding the new fixed guideway public transit station before the new fixed guideway public transit station begins transit services.

(b) Except as provided in Subsections (3)(c) and (d), a municipality that has an existing fixed guideway public transit station located within the municipality's boundaries shall satisfy the requirements of Subsection (2)(a) for the station area surrounding the existing fixed guideway public transit station on or before December 31, 2025.

(c) If a municipality has more than four existing fixed guideway public transit stations

located within the municipality's boundaries, the municipality shall:

(i) on or before December 31, 2025, satisfy the requirements of Subsection (2)(a) for four or more station areas located within the municipality; and

(ii) on or before December 31 of each year thereafter, satisfy the requirements of Subsection (2)(a) for no less than two station areas located within the municipality until the municipality has satisfied the requirements of Subsection (2)(a) for each station area located within the municipality.

(d)(i) Subject to Subsection (3)(d)(ii):

(A) if a municipality receives a complete qualifying land use petition on or before July 1, 2022, the municipality shall satisfy the requirements of Subsection (2)(a) for the station area in which the development is proposed on or before July 1, 2023; and

(B) if a municipality receives a complete qualifying land use petition after July 1, 2022, the municipality shall satisfy the requirements of Subsection (2)(a) for the station area in which the development is proposed within a 12-month period beginning on the first day of the month immediately following the month in which the qualifying land use petition is submitted to the municipality, and shall notify the applicable metropolitan planning organization of the receipt of the qualified land use petition within 45 days of the date of receipt.

(ii)(A) A municipality is not required to satisfy the requirements of Subsection (2)(a) for more than two station areas under Subsection (3)(d)(i) within any 12-month period.

(B) If a municipality receives more than two complete qualifying land use petitions on or before July 1, 2022, the municipality shall select two station areas for which the municipality will satisfy the requirements of Subsection (2)(a) in accordance with Subsection (3)(d)(i)(A).

(iii) A municipality shall process on a first priority basis a land use application, including an application for a building permit, if:

(A) the land use application is for a residential use within a station area for which the municipality has not satisfied the requirements of Subsection (2)(a); and

(B) the municipality would be required to change a zoning designation for the land use application to be approved.

(e) Notwithstanding Subsections (3)(a) through (d), the time period for satisfying the

requirements of Subsection (2)(a) for a station area may be extended once for a period of 12 months if:

- (i) the municipality demonstrates to the applicable metropolitan planning organization that conditions exist that make satisfying the requirements of Subsection (2)(a) within the required time period infeasible, despite the municipality's good faith efforts; and
- (ii) the applicable metropolitan planning organization certifies to the municipality in writing that the municipality satisfied the demonstration in Subsection (3)(e)(i).

(4)(a) Except as provided in Subsection (4)(b), if a station area is included within the boundaries of more than one municipality, each municipality with jurisdiction over the station area shall satisfy the requirements of Subsection (2)(a) for the portion of the station area over which the municipality has jurisdiction.

(b) Two or more municipalities with jurisdiction over a station area may coordinate to develop a shared station area plan for the entire station area.

(5) A municipality that has more than one fixed guideway public transit station located within the municipality may, through an integrated process, develop station area plans for multiple station areas if the station areas are within close proximity of each other.

(6)(a) A municipality that is required to develop and adopt a station area plan under this section may request technical assistance from the applicable metropolitan planning organization.

(b) An applicable metropolitan planning organization that receives funds from the Governor's Office of Economic Opportunity under Section 63N-3-113 shall, when utilizing the funds, give priority consideration to requests for technical assistance for station area plans required under Subsection (3)(d).

(7)(a) A station area plan shall promote the following objectives within the station area:

- (i) increasing the availability and affordability of housing, including moderate income housing;
- (ii) promoting sustainable environmental conditions;
- (iii) enhancing access to opportunities; and
- (iv) increasing transportation choices and connections.

(b)(i) To promote the objective described in Subsection (7)(a)(i), a municipality may consider implementing the following actions:

- (A) aligning the station area plan with the moderate income housing element of the municipality's general plan;

- (B) providing for densities necessary to facilitate the development of moderate income housing;
 - (C) providing for affordable costs of living in connection with housing, transportation, and parking; or
 - (D) any other similar action that promotes the objective described in Subsection (7)(a)(i).
- (ii) To promote the objective described in Subsection (7)(a)(ii), a municipality may consider implementing the following actions:
- (A) conserving water resources through efficient land use;
 - (B) improving air quality by reducing fuel consumption and motor vehicle trips;
 - (C) establishing parks, open spaces, and recreational opportunities; or
 - (D) any other similar action that promotes the objective described in Subsection (7)(a)(ii).
- (iii) To promote the objective described in Subsection (7)(a)(iii), a municipality may consider the following actions:
- (A) maintaining and improving the connections between housing, transit, employment, education, recreation, and commerce;
 - (B) encouraging mixed-use development;
 - (C) enabling employment and educational opportunities within the station area;
 - (D) encouraging and promoting enhanced broadband connectivity; or
 - (E) any other similar action that promotes the objective described in Subsection (7)(a)(iii).
- (iv) To promote the objective described in Subsection (7)(a)(iv), a municipality may consider the following:
- (A) supporting investment in infrastructure for all modes of transportation;
 - (B) increasing utilization of public transit;
 - (C) encouraging safe streets through the designation of pedestrian walkways and bicycle lanes;
 - (D) encouraging manageable and reliable traffic conditions;
 - (E) aligning the station area plan with the regional transportation plan of the applicable metropolitan planning organization; or
 - (F) any other similar action that promotes the objective described in Subsection (7)(a)(iv).
- (8) A station area plan shall include the following components:

- 301 (a) a station area vision that:
- 302 (i) is consistent with Subsection (7); and
- 303 (ii) describes the following:
- 304 (A) opportunities for the development of land within the station area under
- 305 existing conditions;
- 306 (B) constraints on the development of land within the station area under existing
- 307 conditions;
- 308 (C) the municipality's objectives for the transportation system within the station
- 309 area and the future transportation system that meets those objectives;
- 310 (D) the municipality's objectives for land uses within the station area and the
- 311 future land uses that meet those objectives;
- 312 (E) the municipality's objectives for public and open spaces within the station area
- 313 and the future public and open spaces that meet those objectives; and
- 314 (F) the municipality's objectives for the development of land within the station
- 315 area and the future development standards that meet those objectives;
- 316 (b) a map that depicts:
- 317 (i) the station area;
- 318 (ii) the area within the station area to which the station area plan applies, provided
- 319 that the station area plan may apply to areas outside the station area, and the
- 320 station area plan is not required to apply to the entire station area; and
- 321 (iii) the area where each action is needed to implement the station area plan;
- 322 (c) an implementation plan that identifies and describes each action needed within the
- 323 next five years to implement the station area plan, and the party responsible for
- 324 taking each action, including any actions to:
- 325 (i) modify land use regulations;
- 326 (ii) make infrastructure improvements;
- 327 (iii) modify deeds or other relevant legal documents;
- 328 (iv) secure funding or develop funding strategies;
- 329 (v) establish design standards for development within the station area; or
- 330 (vi) provide environmental remediation;
- 331 (d) a statement that explains how the station area plan promotes the objectives described
- 332 in Subsection (7)(a); and
- 333 (e) as an alternative or supplement to the requirements of Subsection (7) or this
- 334 Subsection (8), and for purposes of Subsection (2)(b)(ii), a statement that describes

any conditions that would make the following impracticable:

(i) promoting the objectives described in Subsection (7)(a); or

(ii) satisfying the requirements of this Subsection (8).

(9) A municipality shall develop a station area plan with the involvement of all relevant stakeholders that have an interest in the station area through public outreach and community engagement, including:

(a) other impacted communities;

(b) the applicable public transit district;

(c) the applicable metropolitan planning organization;

(d) the Department of Transportation;

(e) owners of property within the station area; and

(f) the municipality's residents and business owners.

(10)(a) A municipality that is required to develop and adopt a station area plan for a station area under this section shall submit to the applicable metropolitan planning organization and the applicable public transit district documentation evidencing that the municipality has satisfied the requirement of Subsection (2)(a)(i) for the station area, including:

(i) a station area plan; or

(ii) a resolution adopted under Subsection (2)(b)(i) or (ii).

(b) The applicable metropolitan planning organization, in consultation with the applicable public transit district, shall:

(i) review the documentation submitted under Subsection (10)(a) to determine the municipality's compliance with this section; and

(ii) provide written certification to the municipality if the applicable metropolitan planning organization determines that the municipality has satisfied the requirement of Subsection (2)(a)(i) for the station area.

(c) The municipality shall include the certification described in Subsection (10)(b)(ii) in the municipality's report to the Department of Workforce Services under Section 10-9a-408.

(11)(a) Following certification by a metropolitan planning organization of a municipality's station area plan under Subsection (10)(b)(ii), the municipality shall provide a report to the applicable metropolitan planning organization on or before December 31 of the fifth year after the year in which the station area plan was certified, and every five years thereafter for a period not to exceed 15 years.

(b) The report described in Subsection (11)(a) shall:

(i) contain the status of advancing the station area plan objectives, including, if applicable, actions described in the implementation plan required in Subsection (8)(c); and

(ii) identify potential actions over the next five years that would advance the station area plan objectives.

(c) If a municipality has multiple certified station area plans, the municipality may consolidate the reports required in Subsection (11)(a) for the purpose of submitting reports to the metropolitan planning organization.

Section 3. Section **17B-2a-824** is amended to read:

17B-2a-824 (Effective 05/07/25). Property acquired on behalf of a public transit district.

(1) [Title] Except as provided in Subsection (3), title to property acquired on behalf of a public transit district under this part immediately and by operation of law vests in the public transit district.

(2) Property described in Subsection (1) is dedicated and set apart for the purposes set forth in this part.

(3) Any property purchased or acquired by the Department of Transportation for public transit purposes:

(a) does not vest in the public transit district; and

(b) remains under the ownership of the Department of Transportation.

(4) The Department of Transportation may sell, donate, exchange, or otherwise convey in fee simple property described in Subsection (3) to a public transit district if:

(a)(i) the property is adjacent or ancillary to property the public transit district utilizes for the operation of a fixed guideway; and

(ii) the Department of Transportation determines that the conveyance of the property to the public transit district provides a benefit to the state;

(b) the conveyance is necessary to fulfilling federal grant or other funding requirements; or

(c) the conveyance is made in accordance with an administrative rule enacted pursuant to Section 72-5-117.

(5) If the Department of Transportation purchases one or more transit vehicles for public transit purposes, the Department of Transportation may sell, donate, exchange, or otherwise convey the transit vehicles to a public transit district if:

- 403 (a) the Department of Transportation determines that the conveyance of the transit
404 vehicles to the public transit district provides a benefit to the state; or
405 (b) the conveyance is necessary to fulfill federal grant or other funding requirements.

406 Section 4. Section **41-6a-1642** is amended to read:

407 **41-6a-1642 (Effective 05/07/25). Emissions inspection -- County program.**

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

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

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

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

- 420 (b) compliance with this section for a motor vehicle registered or principally operated in
421 the county and owned by or being used by a department, division, instrumentality,
422 agency, or employee of:

423 (i) the federal government;

424 (ii) the state and any of its agencies; or

425 (iii) a political subdivision of the state, including school districts.

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

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

434 (A) Volkswagen Jetta, model years 2009, 2010, 2011, 2012, 2013, 2014, and 2015;

435 (B) Volkswagen Jetta Sportwagen, model years 2009, 2010, 2011, 2012, 2013,
436 and 2014;

- 437 (C) Volkswagen Golf, model years 2010, 2011, 2012, 2013, 2014, and 2015;
438 (D) Volkswagen Golf Sportwagen, model year 2015;
439 (E) Volkswagen Passat, model years 2012, 2013, 2014, and 2015;
440 (F) Volkswagen Beetle, model years 2013, 2014, and 2015;
441 (G) Volkswagen Beetle Convertible, model years 2013, 2014, and 2015; and
442 (H) Audi A3, model years 2010, 2011, 2012, 2013, and 2015; and
443 (ii) a 3.0-liter diesel engine motor vehicle in which its lifetime nitrogen oxide
444 emissions are mitigated in the state to a settlement, including:
445 (A) Volkswagen Touareg, model years 2009, 2010, 2011, 2012, 2013, 2014, 2015,
446 and 2016;
447 (B) Audi Q7, model years 2009, 2010, 2011, 2012, 2013, 2014, 2015, and 2016;
448 (C) Audi A6 Quattro, model years 2014, 2015, and 2016;
449 (D) Audi A7 Quattro, model years 2014, 2015, and 2016;
450 (E) Audi A8, model years 2014, 2015, and 2016;
451 (F) Audi A8L, model years 2014, 2015, and 2016;
452 (G) Audi Q5, model years 2014, 2015, and 2016; and
453 (H) Porsche Cayenne Diesel, model years 2013, 2014, 2015, and 2016.
454 (b)(i) An owner of a restored-modified vehicle subject to Subsection (1) shall obtain
455 a motor vehicle emissions inspection and maintenance program certificate of
456 emissions inspection as described in Subsection (1).
457 (ii) A county emissions program may not refuse to perform an emissions inspection
458 or indicate a failed emissions test of the vehicle based solely on a modification to
459 the engine or component of the motor vehicle if:
460 (A) the modification is not likely to result in the motor vehicle having increased
461 emissions relative to the emissions of the motor vehicle before the
462 modification; and
463 (B) the motor vehicle modification is a change to an engine that is newer than the
464 engine with which the motor vehicle was originally equipped, or the engine
465 includes technology that increases the facility of the administration of an
466 emissions test, such as an on-board diagnostics system.
467 (iii) The first time an owner seeks to obtain an emissions inspection as a prerequisite
468 to registration of a restored-modified vehicle:
469 (A) the owner shall present the signed statement described in Subsection
470 41-1a-226(4); and

- 471 (B) the county emissions program shall perform the emissions test.
- 472 (iv) If a motor vehicle is registered as a restored-modified vehicle and the registration
473 certificate is notated as described in Subsection 41-1a-226(4), a county emissions
474 program may not refuse to perform an emissions test based solely on the
475 restored-modified status of the motor vehicle.
- 476 (3)(a) The legislative body of a county identified in Subsection (1), in consultation with
477 the Air Quality Board created under Section 19-1-106, shall make regulations or
478 ordinances regarding:
- 479 (i) emissions standards;
- 480 (ii) test procedures;
- 481 (iii) inspections stations;
- 482 (iv) repair requirements and dollar limits for correction of deficiencies; and
- 483 (v) certificates of emissions inspections.
- 484 (b) In accordance with Subsection (3)(a), a county legislative body:
- 485 (i) shall make regulations or ordinances to attain or maintain ambient air quality
486 standards in the county, consistent with the state implementation plan and federal
487 requirements;
- 488 (ii) may allow for a phase-in of the program by geographical area; and
- 489 (iii) shall comply with the analyzer design and certification requirements contained in
490 the state implementation plan prepared under Title 19, Chapter 2, Air
491 Conservation Act.
- 492 (c) The county legislative body and the Air Quality Board shall give preference to an
493 inspection and maintenance program that:
- 494 (i) is decentralized, to the extent the decentralized program will attain and maintain
495 ambient air quality standards and meet federal requirements;
- 496 (ii) is the most cost effective means to achieve and maintain the maximum benefit
497 with regard to ambient air quality standards and to meet federal air quality
498 requirements as related to vehicle emissions; and
- 499 (iii) provides a reasonable phase-out period for replacement of air pollution emission
500 testing equipment made obsolete by the program.
- 501 (d) The provisions of Subsection (3)(c)(iii) apply only to the extent the phase-out:
- 502 (i) may be accomplished in accordance with applicable federal requirements; and
- 503 (ii) does not otherwise interfere with the attainment and maintenance of ambient air
504 quality standards.

- (4) The following vehicles are exempt from an emissions inspection program and the provisions of this section:
- (a) an implement of husbandry as defined in Section 41-1a-102;
 - (b) a motor vehicle that:
 - (i) meets the definition of a farm truck under Section 41-1a-102; and
 - (ii) has a gross vehicle weight rating of 12,001 pounds or more;
 - (c) a vintage vehicle as defined in Section 41-21-1:
 - (i) if the vintage vehicle has a model year of 1982 or older; or
 - (ii) for a vintage vehicle that has a model year of 1983 or newer, if the owner provides proof of vehicle insurance that is a type specific to a vehicle collector;
 - (d) a custom vehicle as defined in Section 41-6a-1507;
 - (e) a vehicle registered as a novel vehicle under Section 41-27-201;
 - (f) to the extent allowed under the current federally approved state implementation plan, in accordance with the federal Clean Air Act, 42 U.S.C. Sec. 7401, et seq., a motor vehicle that is less than two years old on January 1 based on the age of the vehicle as determined by the model year identified by the manufacturer;
 - (g) a pickup truck, as defined in Section 41-1a-102, with a gross vehicle weight rating of 12,000 pounds or less, if the registered owner of the pickup truck provides a signed statement to the legislative body stating the truck is used:
 - (i) by the owner or operator of a farm located on property that qualifies as land in agricultural use under Sections 59-2-502 and 59-2-503; and
 - (ii) exclusively for the following purposes in operating the farm:
 - (A) for the transportation of farm products, including livestock and its products, poultry and its products, floricultural and horticultural products; and
 - (B) in the transportation of farm supplies, including tile, fence, and every other thing or commodity used in agricultural, floricultural, horticultural, livestock, and poultry production and maintenance;
 - (h) a motorcycle as defined in Section 41-1a-102;
 - (i) an electric motor vehicle as defined in Section 41-1a-102;
 - (j) a motor vehicle with a model year of 1967 or older; and
 - (k) a roadable aircraft as defined in Section 72-10-102.
- (5) The county shall issue to the registered owner who signs and submits a signed statement under Subsection (4)(g) a certificate of exemption from emissions inspection requirements for purposes of registering the exempt vehicle.

- (6) A legislative body of a county described in Subsection (1) may exempt from an emissions inspection program a diesel-powered motor vehicle with a:
- (a) gross vehicle weight rating of more than 14,000 pounds; or
 - (b) model year of 1997 or older.
- (7) The legislative body of a county required under federal law to utilize a motor vehicle emissions inspection program shall require:
- (a) a computerized emissions inspection for a diesel-powered motor vehicle that has:
 - (i) a model year of 2007 or newer;
 - (ii) a gross vehicle weight rating of 14,000 pounds or less; and
 - (iii) a model year that is five years old or older; and
 - (b) a visual inspection of emissions equipment for a diesel-powered motor vehicle:
 - (i) with a gross vehicle weight rating of 14,000 pounds or less;
 - (ii) that has a model year of 1998 or newer; and
 - (iii) that has a model year that is five years old or older.
- (8)(a) Subject to Subsection (8)(c), the legislative body of each county required under federal law to utilize a motor vehicle emissions inspection and maintenance program or in which an emissions inspection and maintenance program is necessary to attain or maintain any national ambient air quality standard may require each college or university located in a county subject to this section to require its students and employees who park a motor vehicle not registered in a county subject to this section to provide proof of compliance with an emissions inspection accepted by the county legislative body if the motor vehicle is parked on the college or university campus or property.
- (b) College or university parking areas that are metered or for which payment is required per use are not subject to the requirements of this Subsection (8).
- (c) The legislative body of a county shall make the reasons for implementing the provisions of this Subsection (8) part of the record at the time that the county legislative body takes its official action to implement the provisions of this Subsection (8).
- (9)(a) An emissions inspection station shall issue a certificate of emissions inspection for each motor vehicle that meets the inspection and maintenance program requirements established in regulations or ordinances made under Subsection (3).
- (b) The frequency of the emissions inspection shall be determined based on the age of the vehicle as determined by model year and shall be required annually subject to the

- 573 provisions of Subsection (9)(c).
- 574 (c)(i) To the extent allowed under the current federally approved state
575 implementation plan, in accordance with the federal Clean Air Act, 42 U.S.C. Sec.
576 7401 et seq., the legislative body of a county identified in Subsection (1) shall
577 only require the emissions inspection every two years for each vehicle.
- 578 (ii) The provisions of Subsection (9)(c)(i) apply only to a vehicle that is less than six
579 years old on January 1.
- 580 (iii) For a county required to implement a new vehicle emissions inspection and
581 maintenance program on or after December 1, 2012, under Subsection (1), but for
582 which no current federally approved state implementation plan exists, a vehicle
583 shall be tested at a frequency determined by the county legislative body, in
584 consultation with the Air Quality Board created under Section 19-1-106, that is
585 necessary to comply with federal law or attain or maintain any national ambient
586 air quality standard.
- 587 (iv) If a county legislative body establishes or changes the frequency of a vehicle
588 emissions inspection and maintenance program under Subsection (9)(c)(iii), the
589 establishment or change shall take effect on January 1 if the State Tax
590 Commission receives notice meeting the requirements of Subsection (9)(c)(v)
591 from the county before October 1.
- 592 (v) The notice described in Subsection (9)(c)(iv) shall:
- 593 (A) state that the county will establish or change the frequency of the vehicle
594 emissions inspection and maintenance program under this section;
- 595 (B) include a copy of the ordinance establishing or changing the frequency; and
- 596 (C) if the county establishes or changes the frequency under this section, state how
597 frequently the emissions testing will be required.
- 598 (d) If an emissions inspection is only required every two years for a vehicle under
599 Subsection (9)(c), the inspection shall be required for the vehicle in:
- 600 (i) odd-numbered years for vehicles with odd-numbered model years; or
- 601 (ii) in even-numbered years for vehicles with even-numbered model years.
- 602 (10)(a) Except as provided in Subsections (9)(b), (c), and (d), the emissions inspection
603 required under this section may be made no more than two months before the
604 renewal of registration.
- 605 (b)(i) If the title of a used motor vehicle is being transferred, the owner may use an
606 emissions inspection certificate issued for the motor vehicle during the previous

- 607 11 months to satisfy the requirement under this section.
- 608 (ii) If the transferor is a licensed and bonded used motor vehicle dealer, the owner
609 may use an emissions inspection certificate issued for the motor vehicle in a
610 licensed and bonded motor vehicle dealer's name during the previous 11 months to
611 satisfy the requirement under this section.
- 612 (c) If the title of a leased vehicle is being transferred to the lessee of the vehicle, the
613 lessee may use an emissions inspection certificate issued during the previous 11
614 months to satisfy the requirement under this section.
- 615 (d) If the motor vehicle is part of a fleet of 101 or more vehicles, the owner may not use
616 an emissions inspection made more than 11 months before the renewal of registration
617 to satisfy the requirement under this section.
- 618 (e) If the application for renewal of registration is for a six-month registration period
619 under Section 41-1a-215.5, the owner may use an emissions inspection certificate
620 issued during the previous eight months to satisfy the requirement under this section.
- 621 (11)(a) A county identified in Subsection (1) shall collect information about and monitor
622 the program.
- 623 (b) A county identified in Subsection (1) shall supply this information to ~~to an appropriate~~
624 ~~legislative committee, as designated by the Legislative Management Committee,~~
625 ~~at times determined by the designated committee.]~~ the Transportation Interim
626 Committee to identify program needs, including funding needs.
- 627 (12) If approved by the county legislative body, a county that had an established emissions
628 inspection fee as of January 1, 2002, may increase the established fee that an emissions
629 inspection station may charge by \$2.50 for each year that is exempted from emissions
630 inspections under Subsection (9)(c) up to a \$7.50 increase.
- 631 (13)(a) Except as provided in Subsection 41-1a-1223(1)(c), a county identified in
632 Subsection (1) may impose a local emissions compliance fee on each motor vehicle
633 registration within the county in accordance with the procedures and requirements of
634 Section 41-1a-1223.
- 635 (b) A county that imposes a local emissions compliance fee may use revenues generated
636 from the fee for the establishment and enforcement of an emissions inspection and
637 maintenance program in accordance with the requirements of this section.
- 638 (c) A county that imposes a local emissions compliance fee may use revenues generated
639 from the fee to promote programs to maintain a local, state, or national ambient air
640 quality standard.

- (14)(a) If a county has reason to believe that a vehicle owner has provided an address as required in Section 41-1a-209 to register or attempt to register a motor vehicle in a county other than the county of the bona fide residence of the owner in order to avoid an emissions inspection required under this section, the county may investigate and gather evidence to determine whether the vehicle owner has used a false address or an address other than the vehicle owner's bona fide residence or place of business.
- (b) If a county conducts an investigation as described in Subsection (14)(a) and determines that the vehicle owner has used a false or improper address in an effort to avoid an emissions inspection as required in this section, the county may impose a civil penalty of \$1,000.
- (15) A county legislative body described in Subsection (1) may exempt a motor vehicle from an emissions inspection if:
- (a) the motor vehicle is 30 years old or older;
 - (b) the county determines that the motor vehicle was driven less than 1,500 miles during the preceding 12-month period; and
 - (c) the owner provides to the county legislative body a statement signed by the owner that states the motor vehicle:
 - (i) is primarily a collector's item used for:
 - (A) participation in club activities;
 - (B) exhibitions;
 - (C) tours; or
 - (D) parades; or
 - (ii) is only used for occasional transportation.

Section 5. Section **53-2a-1102** is amended to read:

53-2a-1102 (Effective 05/07/25). Search and Rescue Financial Assistance

Program -- Uses -- Rulemaking -- Distribution.

- (1) As used in this section:
- (a) "Assistance card program" means the Utah Search and Rescue Assistance Card Program created within this section.
 - (b) "Card" means the Search and Rescue Assistance Card issued under this section to a participant.
 - (c) "Participant" means an individual, family, or group who is registered pursuant to this section as having a valid card at the time search, rescue, or both are provided.
 - (d) "Program" means the Search and Rescue Financial Assistance Program created

675 within this section.

676 (e)(i) "Reimbursable base expenses" means those reasonable expenses incidental to
677 search and rescue activities.

678 (ii) "Reimbursable base expenses" include:

679 (A) rental for fixed wing aircraft, snowmobiles, boats, and generators;

680 (B) replacement and upgrade of search and rescue equipment;

681 (C) training of search and rescue volunteers;

682 (D) costs of providing life insurance and workers' compensation benefits for
683 volunteer search and rescue team members under Section 67-20-7.5; and

684 (E) any other equipment or expenses necessary or appropriate for conducting
685 search and rescue activities.

686 (iii) "Reimbursable base expenses" do not include any salary or overtime paid to an
687 individual on a regular or permanent payroll, including permanent part-time
688 employees of any agency of the state.

689 (f) "Rescue" means search services, rescue services, or both search and rescue services.

690 (2) There is created the Search and Rescue Financial Assistance Program within the
691 division.

692 (3)(a) The financial program and the assistance card program shall be funded from the
693 following revenue sources:

694 (i) any voluntary contributions to the state received for search and rescue operations;

695 (ii) money received by the state under Subsection (11) and under Sections 23A-4-209,
696 41-22-34, and 73-18-24;

697 (iii) money deposited under [~~Subsection 59-12-103(13)~~] Section 59-12-103 as a
698 dedicated credit for the sole use of the Search and Rescue Financial Assistance
699 Program;

700 (iv) contributions deposited in accordance with Section 41-1a-230.7; and

701 (v) appropriations made to the program by the Legislature.

702 (b) Money received from the revenue sources in Subsections (3)(a)(i), (ii), and (iv), and
703 90% of the money described in Subsection (3)(a)(iii), shall be deposited into the
704 General Fund as a dedicated credit to be used solely for the program.

705 (c) Ten percent of the money described in Subsection (3)(a)(iii) shall be deposited into
706 the General Fund as a dedicated credit to be used solely to promote the assistance
707 card program.

708 (d) Funding for the program is nonlapsing.

- (4) Subject to Subsections (3)(b) and (c), the director shall use the money described in this section to reimburse counties for all or a portion of each county's reimbursable base expenses for search and rescue operations, subject to:
- (a) the approval of the Search and Rescue Advisory Board as provided in Section 53-2a-1104;
 - (b) money available in the program; and
 - (c) rules made under Subsection (7).
- (5) Money described in Subsection (3) may not be used to reimburse for any paid personnel costs or paid man hours spent in emergency response and search and rescue related activities.
- (6) The Legislature finds that these funds are for a general and statewide public purpose.
- (7) The division, with the approval of the Search and Rescue Advisory Board, shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and consistent with this section:
- (a) specifying the costs that qualify as reimbursable base expenses;
 - (b) defining the procedures of counties to submit expenses and be reimbursed;
 - (c) defining a participant in the assistance card program, including:
 - (i) individuals; and
 - (ii) families and organized groups who qualify as participants;
 - (d) defining the procedure for issuing a card to a participant;
 - (e) defining excluded expenses that may not be reimbursed under the program, including medical expenses;
 - (f) establishing the card renewal cycle for the Utah Search and Rescue Assistance Card Program;
 - (g) establishing the frequency of review of the fee schedule;
 - (h) providing for the administration of the program; and
 - (i) providing a formula to govern the distribution of available money among the counties for uncompensated search and rescue expenses based on:
 - (i) the total qualifying expenses submitted;
 - (ii) the number of search and rescue incidents per county population;
 - (iii) the number of victims that reside outside the county; and
 - (iv) the number of volunteer hours spent in each county in emergency response and search and rescue related activities per county population.
- (8)(a) The division shall, in consultation with the Division of Outdoor Recreation,

743 establish the fee schedule of the Utah Search and Rescue Assistance Card Program
744 under Subsection 63J-1-504(7).

745 (b) The division shall provide a discount of not less than 10% of the card fee under
746 Subsection (8)(a) to a person who has paid a fee under Section 23A-4-209, 41-22-34,
747 or 73-18-24 during the same calendar year in which the person applies to be a
748 participant in the assistance card program.

749 (9) Counties may not bill reimbursable base expenses to an individual for costs incurred for
750 the rescue of an individual, if the individual is a current participant in the Utah Search
751 and Rescue Assistance Card Program at the time of rescue, unless:

752 (a) the rescuing county finds that the participant acted recklessly in creating a situation
753 resulting in the need for the county to provide rescue services; or

754 (b) the rescuing county finds that the participant intentionally created a situation
755 resulting in the need for the county to provide rescue services.

756 (10)(a) There is created the Utah Search and Rescue Assistance Card Program. The
757 program is located within the division.

758 (b) The program may not be used to cover any expenses, such as medically related
759 expenses, that are not reimbursable base expenses related to the rescue.

760 (11)(a) To participate in the program, a person shall purchase a search and rescue
761 assistance card from the division by paying the fee as determined by the division in
762 Subsection (8).

763 (b) The money generated by the fees shall be deposited into the General Fund as a
764 dedicated credit for the Search and Rescue Financial Assistance Program created in
765 this section.

766 (c) Participation and payment of fees by a person under Sections 23A-4-209, 41-22-34,
767 and 73-18-24 do not constitute purchase of a card under this section.

768 (12) The division shall consult with the Division of Outdoor Recreation regarding:

769 (a) administration of the assistance card program; and

770 (b) outreach and marketing strategies.

771 (13) Pursuant to Subsection 31A-1-103(7), the Utah Search and Rescue Assistance Card
772 Program under this section is exempt from being considered insurance as that term is
773 defined in Section 31A-1-301.

774 Section 6. Section **53-2d-101** is amended to read:

775 **53-2d-101 (Effective 05/07/25). Definitions.**

776 As used in this chapter:

(1)(a)[(a)] (i) "911 ambulance or paramedic services" means:

[(i)] (A) either:

[(A)] (I) 911 ambulance service;

[(B)] (II) 911 paramedic service; or

[(C)] (III) both 911 ambulance and paramedic service; and

[(ii)] (B) a response to a 911 call received by a designated dispatch center that receives 911 or E911 calls.

[(b)] (ii) "911 ambulance or paramedic services" does not mean a seven or 10 digit telephone call received directly by an ambulance provider licensed under this chapter.

(2) "Air ambulance" means an ambulance that operates through air flight.

(3) "Air ambulance provider" means an ambulance provider that provides emergency medical services using an air ambulance.

[(2)] (4) "Ambulance" means a ground, air, or water vehicle that:

(a) transports patients and is used to provide emergency medical services; and

(b) is required to obtain a permit under Section 53-2d-404 to operate in the state.

[(3)] (5) "Ambulance provider" means an emergency medical service provider that:

(a) transports and provides emergency medical care to patients; and

(b) is required to obtain a license under Part 5, Ambulance and Paramedic Providers.

[(4)] (6) "Automatic external defibrillator" or "AED" means an automated or automatic computerized medical device that:

(a) has received pre-market notification approval from the United States Food and Drug Administration, pursuant to 21 U.S.C. Sec. 360(k);

(b) is capable of recognizing the presence or absence of ventricular fibrillation or rapid ventricular tachycardia;

(c) is capable of determining, without intervention by an operator, whether defibrillation should be performed; and

(d) upon determining that defibrillation should be performed, automatically charges, enabling delivery of, or automatically delivers, an electrical impulse through the chest wall and to an individual's heart.

[(5)] (7)(a) "Behavioral emergency services" means delivering a behavioral health intervention to a patient in an emergency context within a scope and in accordance with guidelines established by the department.

(b) "Behavioral emergency services" does not include engaging in the:

- (i) practice of mental health therapy as defined in Section 58-60-102;
- (ii) practice of psychology as defined in Section 58-61-102;
- (iii) practice of clinical social work as defined in Section 58-60-202;
- (iv) practice of certified social work as defined in Section 58-60-202;
- (v) practice of marriage and family therapy as defined in Section 58-60-302;
- (vi) practice of clinical mental health counseling as defined in Section 58-60-402; or
- (vii) practice as a substance use disorder counselor as defined in Section 58-60-502.

~~[(6)]~~ (8) "Bureau" means the Bureau of Emergency Medical Services created in Section 53-2d-102.

~~[(7)]~~ (9) "Cardiopulmonary resuscitation" or "CPR" means artificial ventilation or external chest compression applied to a person who is unresponsive and not breathing.

~~[(8)]~~ (10) "Committee" means the Trauma System and Emergency Medical Services Committee created by Section 53-2d-104.

~~[(9)]~~ (11) "Community paramedicine" means medical care:

- (a) provided by emergency medical service personnel; and
- (b) provided to a patient who is not:
 - (i) in need of ambulance transportation; or
 - (ii) located in a health care facility as defined in Section 26B-2-201.

~~[(10)]~~ (12) "Direct medical observation" means in-person observation of a patient by a physician, registered nurse, physician's assistant, or individual licensed under Section 26B-4-116.

~~[(11)]~~ (13) "Emergency medical condition" means:

- (a) a medical condition that manifests itself by symptoms of sufficient severity, including severe pain, that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in:
 - (i) placing the individual's health in serious jeopardy;
 - (ii) serious impairment to bodily functions; or
 - (iii) serious dysfunction of any bodily organ or part; or
- (b) a medical condition that in the opinion of a physician or the physician's designee requires direct medical observation during transport or may require the intervention of an individual licensed under Section 53-2d-402 during transport.

~~[(12)]~~ (14) "Emergency medical dispatch center" means a public safety answering point, as defined in Section 63H-7a-103, that is designated as an emergency medical dispatch

center by the bureau.

~~[(13)]~~ (15)(a) "Emergency medical service personnel" means an individual who provides emergency medical services or behavioral emergency services to a patient and is required to be licensed or certified under Section 53-2d-402.

(b) "Emergency medical service personnel" includes a paramedic, medical director of a licensed emergency medical service provider, emergency medical service instructor, behavioral emergency services technician, other categories established by the committee, and a certified emergency medical dispatcher.

~~[(14)]~~ (16) "Emergency medical service providers" means:

(a) licensed ambulance providers and paramedic providers;

(b) a facility or provider that is required to be designated under Subsection 53-2d-403 (1)(a); and

(c) emergency medical service personnel.

~~[(15)]~~ (17) "Emergency medical services" means:

(a) medical services;

(b) transportation services;

(c) behavioral emergency services; or

(d) any combination of the services described in Subsections ~~[(15)(a)]~~ (17)(a) through (c).

~~[(16)]~~ (18) "Emergency medical service vehicle" means a land, air, or water vehicle that is:

(a) maintained and used for the transportation of emergency medical personnel, equipment, and supplies to the scene of a medical emergency; and

(b) required to be permitted under Section 53-2d-404.

~~[(17)]~~ (19) "Governing body":

(a) means the same as that term is defined in Section 11-42-102; and

(b) for purposes of a "special service district" under Section 11-42-102, means a special service district that has been delegated the authority to select a provider under this chapter by the special service district's legislative body or administrative control board.

~~[(18)]~~ (20) "Interested party" means:

(a) a licensed or designated emergency medical services provider that provides emergency medical services within or in an area that abuts an exclusive geographic service area that is the subject of an application submitted pursuant to Part 5, Ambulance and Paramedic Providers;

(b) any municipality, county, or fire district that lies within or abuts a geographic service

area that is the subject of an application submitted pursuant to Part 5, Ambulance and Paramedic Providers; or

(c) the department when acting in the interest of the public.

~~[(19)]~~ (21) "Level of service" means the level at which an ambulance provider type of service is licensed as:

(a) emergency medical technician;

(b) advanced emergency medical technician; or

(c) paramedic.

~~[(20)]~~ (22) "Medical control" means a person who provides medical supervision to an emergency medical service provider.

~~[(21)]~~ (23) "Non-911 service" means transport of a patient that is not 911 transport under Subsection (1).

~~[(22)]~~ (24) "Nonemergency secured behavioral health transport" means an entity that:

(a) provides nonemergency secure transportation services for an individual who:

(i) is not required to be transported by an ambulance under Section 53-2d-405; and

(ii) requires behavioral health observation during transport between any of the following facilities:

(A) a licensed acute care hospital;

(B) an emergency patient receiving facility;

(C) a licensed mental health facility; and

(D) the office of a licensed health care provider; and

(b) is required to be designated under Section 53-2d-403.

~~[(23)]~~ (25) "Paramedic provider" means an entity that:

(a) employs emergency medical service personnel; and

(b) is required to obtain a license under Part 5, Ambulance and Paramedic Providers.

~~[(24)]~~ (26) "Patient" means an individual who, as the result of illness, injury, or a behavioral emergency condition, meets any of the criteria in Section 26B-4-119.

~~[(25)]~~ (27) "Political subdivision" means:

(a) a city or town;

(b) a county;

(c) a special service district created under Title 17D, Chapter 1, Special Service District Act, for the purpose of providing fire protection services under Subsection 17D-1-201 (9);

(d) a special district created under Title 17B, Limited Purpose Local Government

Entities - Special Districts, for the purpose of providing fire protection, paramedic, and emergency services;

(e) areas coming together as described in Subsection 53-2d-505.2(2)(b)(ii); or

(f) an interlocal entity under Title 11, Chapter 13, Interlocal Cooperation Act.

~~[(26)]~~ (28) "Sudden cardiac arrest" means a life-threatening condition that results when a person's heart stops or fails to produce a pulse.

~~[(27)]~~ (29) "Trauma" means an injury requiring immediate medical or surgical intervention.

~~[(28)]~~ (30) "Trauma system" means a single, statewide system that:

(a) organizes and coordinates the delivery of trauma care within defined geographic areas from the time of injury through transport and rehabilitative care; and

(b) is inclusive of all prehospital providers, hospitals, and rehabilitative facilities in delivering care for trauma patients, regardless of severity.

~~[(29)]~~ (31) "Triage" means the sorting of patients in terms of disposition, destination, or priority. For prehospital trauma victims, triage requires a determination of injury severity to assess the appropriate level of care according to established patient care protocols.

~~[(30)]~~ (32) "Triage, treatment, transportation, and transfer guidelines" means written procedures that:

(a) direct the care of patients; and

(b) are adopted by the medical staff of an emergency patient receiving facility, trauma center, or an emergency medical service provider.

~~[(31)]~~ (33) "Type of service" means the category at which an ambulance provider is licensed as:

(a) ground ambulance transport;

(b) ground ambulance interfacility transport; or

(c) both ground ambulance transport and ground ambulance interfacility transport.

Section 7. Section **53-2d-517** is enacted to read:

53-2d-517 (Effective 05/07/25). Air ambulance requirements.

(1) A licensed air ambulance provider shall provide to all emergency medical dispatch centers the real-time location and availability of the air ambulance using statewide software that updates from a location transponder or computer-aided dispatch interface.

(2) An emergency medical dispatch center shall dispatch an air ambulance that the emergency medical dispatch center determines:

(a) is nearest to the location requiring emergency medical services;

(b) is readily available; and

(c) is the most appropriate air ambulance provider for the particular emergency circumstance based on the needs of the patient and the capabilities of the air ambulance provider.

(3) An air ambulance that is currently transporting a patient may not:

(a) be dispatched for a different emergency medical situation; or

(b) deviate from the current emergency service and patient to respond to a different emergency medical dispatch communication.

Section 8. Section **59-12-103** is amended to read:

59-12-103 (Effective 07/01/25). Sales and use tax base -- Rates -- Effective dates -- Use of sales and use tax revenue.

(1) A tax is imposed on the purchaser as provided in this part on the purchase price or sales price for amounts paid or charged for the following transactions:

(a) retail sales of tangible personal property made within the state;

(b) amounts paid for:

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

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

(iii) an ancillary service associated with a:

(A) telecommunications service described in Subsection (1)(b)(i); or

(B) mobile telecommunications service described in Subsection (1)(b)(ii);

(c) sales of the following for commercial use:

(i) gas;

(ii) electricity;

(iii) heat;

(iv) coal;

(v) fuel oil; or

(vi) other fuels;

(d) sales of the following for residential use:

(i) gas;

(ii) electricity;

(iii) heat;

- 981 (iv) coal;
- 982 (v) fuel oil; or
- 983 (vi) other fuels;
- 984 (e) sales of prepared food;
- 985 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
- 986 user fees for theaters, movies, operas, museums, planetariums, shows of any type or
- 987 nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses,
- 988 menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling
- 989 matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling
- 990 lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts,
- 991 ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides,
- 992 river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or
- 993 any other amusement, entertainment, recreation, exhibition, cultural, or athletic
- 994 activity;
- 995 (g) amounts paid or charged for services for repairs or renovations of tangible personal
- 996 property, unless Section 59-12-104 provides for an exemption from sales and use tax
- 997 for:
- 998 (i) the tangible personal property; and
- 999 (ii) parts used in the repairs or renovations of the tangible personal property described
- 1000 in Subsection (1)(g)(i), regardless of whether:
- 1001 (A) any parts are actually used in the repairs or renovations of that tangible
- 1002 personal property; or
- 1003 (B) the particular parts used in the repairs or renovations of that tangible personal
- 1004 property are exempt from a tax under this chapter;
- 1005 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for assisted
- 1006 cleaning or washing of tangible personal property;
- 1007 (i) amounts paid or charged for short-term rentals of tourist home, hotel, motel, or trailer
- 1008 court accommodations and services;
- 1009 (j) amounts paid or charged for laundry or dry cleaning services;
- 1010 (k) amounts paid or charged for leases or rentals of tangible personal property if within
- 1011 this state the tangible personal property is:
- 1012 (i) stored;
- 1013 (ii) used; or
- 1014 (iii) otherwise consumed;

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

(i) stored;

(ii) used; or

(iii) consumed;

(m) amounts paid or charged for a sale:

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

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

(ii) regardless of whether the sale provides:

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

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

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

(II) that terminates upon the occurrence of a condition; and

(n) sales of leased tangible personal property from the lessor to the lessee made in the state.

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

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

(A) 4.70% plus the rate specified in Subsection (11)(a); and

(B)(I) the tax rate the state imposes in accordance with Part 18, Additional

State Sales and Use Tax Act, if the location of the transaction as determined

under Sections 59-12-211 through 59-12-215 is in a county in which the

state imposes the tax under Part 18, Additional State Sales and Use Tax Act;

and

(II) the tax rate the state imposes in accordance with Part 20, Supplemental

State Sales and Use Tax Act, if the location of the transaction as determined

under Sections 59-12-211 through 59-12-215 is in a city, town, or the

unincorporated area of a county in which the state imposes the tax under

Part 20, Supplemental State Sales and Use Tax Act; and

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

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

- (i) a state tax imposed on the transaction at a tax rate of 2%; and
- (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the transaction under this chapter other than this part.

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

- (i) a state tax imposed on the amounts paid or charged for food and food ingredients at a tax rate of 1.75%; and
- (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the amounts paid or charged for food and food ingredients under this chapter other than this part.

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

(e)(i)(A) If a shared vehicle owner certifies to the commission, on a form prescribed by the commission, that the shared vehicle is an individual-owned shared vehicle, a tax imposed under Subsection (2)(a)(i)(A) does not apply to car sharing, a car-sharing program, a shared vehicle driver, or a shared vehicle owner.

(B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is required once during the time that the shared vehicle owner owns the shared vehicle.

(C) The commission shall verify that a shared vehicle is an individual-owned shared vehicle by verifying that the applicable Utah taxes imposed under this chapter were paid on the purchase of the shared vehicle.

(D) The exception under Subsection (2)(e)(i)(A) applies to a certified individual-owned shared vehicle shared through a car-sharing program even if non-certified shared vehicles are also available to be shared through the same car-sharing program.

(ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.

(iii)(A) A car-sharing program may rely in good faith on a shared vehicle owner's representation that the shared vehicle is an individual-owned shared vehicle certified with the commission as described in Subsection (2)(e)(i).

(B) If a car-sharing program relies in good faith on a shared vehicle owner's representation that the shared vehicle is an individual-owned shared vehicle

certified with the commission as described in Subsection (2)(e)(i), the car-sharing program is not liable for any tax, penalty, fee, or other sanction imposed on the shared vehicle owner.

(iv) If all shared vehicles shared through a car-sharing program are certified as described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has no obligation to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax period.

(v) A car-sharing program is not required to list or otherwise identify an individual-owned shared vehicle on a return or an attachment to a return.

(vi) A car-sharing program shall:

(A) retain tax information for each car-sharing program transaction; and

(B) provide the information described in Subsection (2)(e)(vi)(A) to the commission at the commission's request.

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

(A) a state tax imposed on the entire bundled transaction equal to the sum of:

(I) the tax rate described in Subsection (2)(a)(i)(A); and

(II)(Aa) the tax rate the state imposes in accordance with Part 18,

Additional State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional State Sales and Use Tax Act; and

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

(B) a local tax imposed on the entire bundled transaction at the sum of the tax rates described in Subsection (2)(a)(ii).

(ii) If an optional computer software maintenance contract is a bundled transaction that consists of taxable and nontaxable products that are not separately itemized on an invoice or similar billing document, the purchase of the optional computer software maintenance contract is 40% taxable under this chapter and 60%

nontaxable under this chapter.

(iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled transaction described in Subsection (2)(f)(i) or (ii):

(A) if the sales price of the bundled transaction is attributable to tangible personal property, a product, or a service that is subject to taxation under this chapter and tangible personal property, a product, or service that is not subject to taxation under this chapter, the entire bundled transaction is subject to taxation under this chapter unless:

(I) the seller is able to identify by reasonable and verifiable standards the tangible personal property, product, or service that is not subject to taxation under this chapter from the books and records the seller keeps in the seller's regular course of business; or

(II) state or federal law provides otherwise; or

(B) if the sales price of a bundled transaction is attributable to two or more items of tangible personal property, products, or services that are subject to taxation under this chapter at different rates, the entire bundled transaction is subject to taxation under this chapter at the higher tax rate unless:

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

(II) state or federal law provides otherwise.

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

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

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

- 1151 the purchaser; or
- 1152 (B) is able to identify by reasonable and verifiable standards, from the books and
- 1153 records the seller keeps in the seller's regular course of business, the portion of
- 1154 the transaction that is not subject to taxation under this chapter.
- 1155 (ii) A purchaser and a seller may correct the taxability of a transaction if:
- 1156 (A) after the transaction occurs, the purchaser and the seller discover that the
- 1157 portion of the transaction that is not subject to taxation under this chapter was
- 1158 not separately stated on an invoice, bill of sale, or similar document provided
- 1159 to the purchaser because of an error or ignorance of the law; and
- 1160 (B) the seller is able to identify by reasonable and verifiable standards, from the
- 1161 books and records the seller keeps in the seller's regular course of business, the
- 1162 portion of the transaction that is not subject to taxation under this chapter.
- 1163 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller
- 1164 keeps in the seller's regular course of business includes books and records the
- 1165 seller keeps in the regular course of business for nontax purposes.
- 1166 (h)(i) If the sales price of a transaction is attributable to two or more items of tangible
- 1167 personal property, products, or services that are subject to taxation under this
- 1168 chapter at different rates, the entire purchase is subject to taxation under this
- 1169 chapter at the higher tax rate unless the seller, at the time of the transaction:
- 1170 (A) separately states the items subject to taxation under this chapter at each of the
- 1171 different rates on an invoice, bill of sale, or similar document provided to the
- 1172 purchaser; or
- 1173 (B) is able to identify by reasonable and verifiable standards the tangible personal
- 1174 property, product, or service that is subject to taxation under this chapter at the
- 1175 lower tax rate from the books and records the seller keeps in the seller's regular
- 1176 course of business.
- 1177 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
- 1178 seller's regular course of business includes books and records the seller keeps in
- 1179 the regular course of business for nontax purposes.
- 1180 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate
- 1181 imposed under the following shall take effect on the first day of a calendar quarter:
- 1182 (i) Subsection (2)(a)(i)(A);
- 1183 (ii) Subsection (2)(b)(i);
- 1184 (iii) Subsection (2)(c)(i); or

- 1185 (iv) Subsection (2)(f)(i)(A)(I).
- 1186 (j)(i) A tax rate increase takes effect on the first day of the first billing period that
- 1187 begins on or after the effective date of the tax rate increase if the billing period for
- 1188 the transaction begins before the effective date of a tax rate increase imposed
- 1189 under:
- 1190 (A) Subsection (2)(a)(i)(A);
- 1191 (B) Subsection (2)(b)(i);
- 1192 (C) Subsection (2)(c)(i); or
- 1193 (D) Subsection (2)(f)(i)(A)(I).
- 1194 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
- 1195 statement for the billing period is rendered on or after the effective date of the
- 1196 repeal of the tax or the tax rate decrease imposed under:
- 1197 (A) Subsection (2)(a)(i)(A);
- 1198 (B) Subsection (2)(b)(i);
- 1199 (C) Subsection (2)(c)(i); or
- 1200 (D) Subsection (2)(f)(i)(A)(I).
- 1201 (k)(i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
- 1202 is computed on the basis of sales and use tax rates published in the catalogue, a
- 1203 tax rate repeal or change in a tax rate takes effect:
- 1204 (A) on the first day of a calendar quarter; and
- 1205 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate
- 1206 change.
- 1207 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
- 1208 (A) Subsection (2)(a)(i)(A);
- 1209 (B) Subsection (2)(b)(i);
- 1210 (C) Subsection (2)(c)(i); or
- 1211 (D) Subsection (2)(f)(i)(A)(I).
- 1212 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 1213 the commission may by rule define the term "catalogue sale."
- 1214 (l)(i) For a location described in Subsection (2)(l)(ii), the commission shall determine
- 1215 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel
- 1216 based on the predominant use of the gas, electricity, heat, coal, fuel oil, or other
- 1217 fuel at the location.
- 1218 (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,

1219 or other fuel is furnished through a single meter for two or more of the following
1220 uses:

- 1221 (A) a commercial use;
- 1222 (B) an industrial use; or
- 1223 (C) a residential use.

1224 (3)(a) The following state taxes shall be deposited into the General Fund:

- 1225 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 1226 (ii) the tax imposed by Subsection (2)(b)(i);
- 1227 (iii) the tax imposed by Subsection (2)(c)(i); and
- 1228 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).

1229 (b) The following local taxes shall be distributed to a county, city, or town as provided
1230 in this chapter:

- 1231 (i) the tax imposed by Subsection (2)(a)(ii);
- 1232 (ii) the tax imposed by Subsection (2)(b)(ii);
- 1233 (iii) the tax imposed by Subsection (2)(c)(ii); and
- 1234 (iv) the tax imposed by Subsection (2)(f)(i)(B).

1235 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General Fund.

1236 (4)(a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
1237 2003, the lesser of the following amounts shall be expended as provided in
1238 Subsections (4)(b) through (g):

- 1239 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
 - 1240 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
 - 1241 (B) for the fiscal year; or
- 1242 (ii) \$17,500,000.

1243 (b)(i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
1244 described in Subsection (4)(a) shall be transferred each year as designated sales
1245 and use tax revenue to the Division of Wildlife Resources to:

- 1246 (A) implement the measures described in Subsections 23A-3-214(3)(a) through
1247 (d) to protect sensitive plant and animal species; or
- 1248 (B) award grants, up to the amount authorized by the Legislature in an
1249 appropriations act, to political subdivisions of the state to implement the
1250 measures described in Subsections 23A-3-214(3)(a) through (d) to protect
1251 sensitive plant and animal species.

1252 (ii) Money transferred to the Division of Wildlife Resources under Subsection

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

(iii) At the end of each fiscal year:

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

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

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

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

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

(ii) At the end of each fiscal year:

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

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

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

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

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

- 1287 (A) conduct hydrologic and geotechnical investigations by the Division of Water
1288 Resources in a cooperative effort with other state, federal, or local entities, for
1289 the purpose of quantifying surface and ground water resources and describing
1290 the hydrologic systems of an area in sufficient detail so as to enable local and
1291 state resource managers to plan for and accommodate growth in water use
1292 without jeopardizing the resource;
- 1293 (B) fund state required dam safety improvements; and
- 1294 (C) protect the state's interest in interstate water compact allocations, including the
1295 hiring of technical and legal staff.
- 1296 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in
1297 Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program
1298 Subaccount created in Section 73-10c-5 for use by the Water Quality Board to fund
1299 wastewater projects.
- 1300 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
1301 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program
1302 Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water to:
- 1303 (i) provide for the installation and repair of collection, treatment, storage, and
1304 distribution facilities for any public water system, as defined in Section 19-4-102;
- 1305 (ii) develop underground sources of water, including springs and wells; and
1306 (iii) develop surface water sources.
- 1307 (5)(a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
1308 2006, the difference between the following amounts shall be expended as provided in
1309 this Subsection (5), if that difference is greater than \$1:
- 1310 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for
1311 the fiscal year by a 1/16% tax rate on the transactions described in Subsection (1);
1312 and
- 1313 (ii) \$17,500,000.
- 1314 (b)(i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:
- 1315 (A) transferred each fiscal year to the Department of Natural Resources as
1316 designated sales and use tax revenue; and
- 1317 (B) expended by the Department of Natural Resources for watershed rehabilitation
1318 or restoration.
- 1319 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
1320 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources

- 1321 Conservation and Development Fund created in Section 73-10-24.
- 1322 (c)(i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
- 1323 remaining difference described in Subsection (5)(a) shall be:
- 1324 (A) transferred each fiscal year to the Division of Water Resources as designated
- 1325 sales and use tax revenue; and
- 1326 (B) expended by the Division of Water Resources for cloud-seeding projects
- 1327 authorized by Title 73, Chapter 15, Modification of Weather.
- 1328 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
- 1329 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources
- 1330 Conservation and Development Fund created in Section 73-10-24.
- 1331 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
- 1332 remaining difference described in Subsection (5)(a) shall be deposited into the Water
- 1333 Resources Conservation and Development Fund created in Section 73-10-24 for use
- 1334 by the Division of Water Resources for:
- 1335 (i) preconstruction costs:
- 1336 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73,
- 1337 Chapter 26, Bear River Development Act; and
- 1338 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
- 1339 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;
- 1340 (ii) the cost of employing a civil engineer to oversee any project authorized by Title
- 1341 73, Chapter 26, Bear River Development Act;
- 1342 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline
- 1343 project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development
- 1344 Act; and
- 1345 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
- 1346 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i)
- 1347 through (iii).
- 1348 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
- 1349 remaining difference described in Subsection (5)(a) shall be deposited each year into
- 1350 the Water Rights Restricted Account created by Section 73-2-1.6.
- 1351 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), each
- 1352 fiscal year, the commission shall deposit into the Water Infrastructure Restricted
- 1353 Account created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax
- 1354 rate on the transactions described in Subsection (1) for the fiscal year.

(7)(a) Notwithstanding Subsection (3)(a) and subject to Subsections (7)(b), (c), and (d), for a fiscal year beginning on or after July 1, 2023, the commission shall deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to [~~17%~~] 24% of the revenue collected from the following sales and use taxes:

- (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- (ii) the tax imposed by Subsection (2)(b)(i);
- (iii) the tax imposed by Subsection (2)(c)(i); and
- (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).

(b)(i) For a fiscal year beginning on or after July 1, 2024, the commission shall annually reduce the deposit under Subsection (7)(a) into the Transportation Investment Fund of 2005 by an amount equal to .44% of the revenue collected from the following sales and use taxes:

- (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- (B) the tax imposed by Subsection (2)(b)(i);
- (C) the tax imposed by Subsection (2)(c)(i); and
- (D) the tax imposed by Subsection (2)(f)(i)(A)(I).

(ii) The commission shall annually deposit the amount described in Subsection (7)(b)(i) into the Cottonwood Canyons Transportation Investment Fund created in Section 72-2-124.

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

- (A) the amount of revenue generated in the current fiscal year by the portion of taxes listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes described in Subsections (7)(a)(i) through (iv);
- (B) the amount of revenue generated in the current fiscal year by registration fees designated under Section 41-1a-1201 to be deposited into the Transportation Investment Fund of 2005; and
- (C) revenue transferred by the Division of Finance to the Transportation Investment Fund of 2005 in accordance with Section 72-2-106 in the current fiscal year.

(ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a

given fiscal year.

(iii) The commission shall annually deposit the amount described in Subsection (7)(c)(i) into the Active Transportation Investment Fund created in Subsection 72-2-124(11).

(d)(i) For a fiscal year beginning on or after July 1, 2024, the commission shall annually reduce the deposit into the Transportation Investment Fund of 2005 under this Subsection (7) by an amount that is equal to 1% of the revenue collected from the following sales and use taxes:

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

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

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

(D) the tax imposed by Subsection (2)(f)(i)(A)(I).

(ii) The commission shall annually deposit the amount described in Subsection (7)(d)(i) into the Commuter Rail Subaccount created in Section 72-2-124.

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

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

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

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

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

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

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

(9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

- (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the fiscal year during which the commission receives notice under Section 63N-2-510 that construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the commission shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue generated by the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund, created in Section 63N-2-512.
- (11)(a) The rate specified in this subsection is 0.15%.
- (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning on or after July 1, 2019, annually transfer the amount of revenue collected from the rate described in Subsection (11)(a) on the transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) into the Medicaid ACA Fund created in Section 26B-1-315.
- (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated credit solely for use of the Search and Rescue Financial Assistance Program created in, and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.
- ~~[(13)(a) For each fiscal year beginning with fiscal year 2020-21, the commission shall annually transfer \$1,813,400 of the revenue deposited into the Transportation Investment Fund of 2005 under Subsections (7) and (8) to the General Fund.]~~
- ~~[(b) If the total revenue deposited into the Transportation Investment Fund of 2005 under Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall transfer the total revenue deposited into the Transportation Investment Fund of 2005 under Subsections (7) and (8) during the fiscal year to the General Fund.]~~
- ~~[(14)]~~ (13) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610, beginning the first day of the calendar quarter one year after the sales and use tax boundary for a housing and transit reinvestment zone is established, the commission, at least annually, shall transfer an amount equal to 15% of the sales and use tax increment within an established sales and use tax boundary, as defined in Section 63N-3-602, into the Transit Transportation Investment Fund created in Section 72-2-124.
- ~~[(15)]~~ (14) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure Restricted Account, created in Section 51-9-902, a portion of the taxes listed under Subsection (3)(a) equal to 1% of the revenue collected from the following sales and use

1457 taxes:

1458 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1459 (b) the tax imposed by Subsection (2)(b)(i);

1460 (c) the tax imposed by Subsection (2)(c)(i); and

1461 (d) the tax imposed by Subsection (2)(f)(i)(A)(I).

1462 ~~[(16)]~~ (15) Notwithstanding Subsection (3)(a), beginning October 1, 2024 the commission
1463 shall transfer to the Utah Fairpark Area Investment and Restoration District, created in
1464 Section 11-70-201, the revenue from the sales and use tax imposed by Subsection
1465 (2)(a)(i)(A) at a 4.7% rate, on transactions occurring within the district sales tax area, as
1466 defined in Section 11-70-101.

1467 ~~[(17)]~~ (16)(a) As used in this Subsection ~~[(17)]~~ (16):

1468 (i) "Additional land" means point of the mountain state land described in Subsection
1469 11-59-102(6)(b) that the point of the mountain authority acquires after the point of
1470 the mountain authority provides the commission a map under Subsection (17)(c).

1471 (ii) "Point of the mountain authority" means the Point of the Mountain State Land
1472 Authority, created in Section 11-59-201.

1473 (iii) "Point of the mountain state land" means the same as that term is defined in
1474 Section 11-59-102.

1475 (b) Notwithstanding Subsection (3)(a), the commission shall distribute to the point of the
1476 mountain authority 50% of the revenue from the sales and use tax imposed by
1477 Subsection (2)(a)(i)(A) at a 4.7% rate, on transactions occurring on the point of the
1478 mountain state land.

1479 (c) The distribution under Subsection ~~[(17)(b)]~~ (16)(b) shall begin the next calendar
1480 quarter that begins at least 90 days after the point of the mountain authority provides
1481 the commission a map that:

1482 (i) accurately describes the point of the mountain state land; and

1483 (ii) the point of the mountain authority certifies as accurate.

1484 (d) A distribution under Subsection ~~[(17)(b)]~~ (16)(b) with respect to additional land shall
1485 begin the next calendar quarter that begins at least 90 days after the point of the
1486 mountain authority provides the commission a map of point of the mountain state
1487 land that:

1488 (i) accurately describes the point of the mountain state land, including the additional
1489 land; and

1490 (ii) the point of the mountain authority certifies as accurate.

(e)(i) Upon the payment in full of bonds secured by the sales and use tax revenue distributed to the point of the mountain authority under Subsection ~~[(17)(b)]~~ (16)(b), the point of the mountain authority shall immediately notify the commission in writing that the bonds are paid in full.

(ii) The commission shall discontinue distributions of sales and use tax revenue under Subsection ~~[(17)(b)]~~ (16)(b) at the beginning of the calendar quarter that begins at least 90 days after the date that the commission receives the written notice under Subsection ~~[(17)(e)(i)]~~ (16)(e)(i).

Section 9. Section **59-12-2212.2** is amended to read:

59-12-2212.2 (Effective 05/07/25). Allowable uses of local option sales and use tax revenue.

(1) Except as otherwise provided in this part, a county, city, or town that imposes a local option sales and use tax under this part may expend the revenue generated from the local option sales and use tax for the following purposes:

(a) the development, construction, maintenance, or operation of:

(i) a class A road;

(ii) a class B road;

(iii) a class C road;

(iv) a class D road;

(v) traffic and pedestrian safety infrastructure, including:

(A) a sidewalk;

(B) curb and gutter;

(C) a safety feature;

(D) a traffic sign;

(E) a traffic signal; or

(F) street lighting;

(vi) streets, alleys, roads, highways, and thoroughfares of any kind, including connected structures;

(vii) an airport facility;

(viii) an active transportation facility that is for nonmotorized vehicles and multimodal transportation and connects an origin with a destination; or

(ix) an intelligent transportation system;

(b) a system for public transit;

(c) all other modes and forms of conveyance used by the public;

- (d) debt service or bond issuance costs related to a project or facility described in Subsections (1)(a) through (c); or
- (e) corridor preservation related to a project or facility described in Subsections (1)(a) through (c).

(2) Any revenue subject to rights or obligations under a contract between a county, city, or town and a public transit district entered into before January 1, 2019, remains subject to existing contractual rights and obligations.

(3) In addition to the uses described in Subsection (1), for any revenue generated by a sales and use tax imposed under Section 59-12-2219 that is not contractually obligated for debt service, the percentage described in Subsection 59-12-2219(11) shall be made available for public transit innovation grants as provided in Title 72, Chapter 2, Part [3] 4, Public Transit Innovation Grants.

Section 10. Section **59-12-2219** is amended to read:

59-12-2219 (Effective 05/07/25). County option sales and use tax for highways and public transit -- Base -- Rate -- Distribution and expenditure of revenue -- Revenue may not supplant existing budgeted transportation revenue.

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

(2) Subject to Subsection (9), the commission shall distribute sales and use tax revenue collected under this section as provided in Subsections (3) through (8).

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

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

(b) .10% shall be distributed as provided in Subsection (6); and

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

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

(a) for a city or town within the county that is annexed into a single public transit

district, the commission shall distribute the sales and use tax revenue collected within that city or town as follows:

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

(ii) .10% shall be distributed as provided in Subsection (6); and

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

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

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

(ii) .10% shall be distributed as provided in Subsection (6); and

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

(c) the commission shall distribute the sales and use tax revenue, except for the sales and use tax revenue described in Subsections (4)(a) and (b), as follows:

(i) .10% shall be distributed as provided in Subsection (6); and

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

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

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

(i) .10% shall be distributed as provided in Subsection (6);

(ii) .10% shall be distributed as provided in Subsection (7); and

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

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

(i) .10% shall be distributed as provided in Subsection (6);

(ii) .10% shall be distributed as provided in Subsection (7); and

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

(c) the commission shall distribute the sales and use tax revenue, except for the sales and

- 1593 use tax revenue described in Subsections (5)(a) and (b), as follows:
- 1594 (i) .10% shall be distributed as provided in Subsection (6); and
- 1595 (ii) .15% shall be distributed to the county legislative body.
- 1596 (6)(a) Subject to Subsection (6)(b), the commission shall make the distributions required
- 1597 by Subsections (3)(b), (4)(a)(ii), (4)(b)(ii), (4)(c)(i), (5)(a)(i), (5)(b)(i), (5)(c)(i), and
- 1598 (7)(d)(ii)(A) as follows:
- 1599 (i) 50% of the total revenue collected under Subsections (3)(b), (4)(a)(ii), (4)(b)(ii),
- 1600 (4)(c)(i), (5)(a)(i), (5)(b)(i), (5)(c)(i), and (7)(d)(ii)(A) within the counties and
- 1601 cities that impose a tax under this section shall be distributed to the
- 1602 unincorporated areas, cities, and towns within those counties and cities on the
- 1603 basis of the percentage that the population of each unincorporated area, city, or
- 1604 town bears to the total population of all of the counties and cities that impose a tax
- 1605 under this section; and
- 1606 (ii) 50% of the total revenue collected under Subsections (3)(b), (4)(a)(ii), (4)(b)(ii),
- 1607 (4)(c)(i), (5)(a)(i), (5)(b)(i), (5)(c)(i), and (7)(d)(ii)(A) within the counties and
- 1608 cities that impose a tax under this section shall be distributed to the
- 1609 unincorporated areas, cities, and towns within those counties and cities on the
- 1610 basis of the location of the transaction as determined under Sections 59-12-211
- 1611 through 59-12-215.
- 1612 (b)(i) Population for purposes of this Subsection (6) shall be determined on the basis
- 1613 of the most recent official census or census estimate of the United States Bureau
- 1614 of the Census.
- 1615 (ii) If a needed population estimate is not available from the United States Bureau of
- 1616 the Census, population figures shall be derived from an estimate from the Utah
- 1617 Population Committee.
- 1618 (7)(a)(i) Subject to the requirements in Subsections (7)(b) and (c), a county
- 1619 legislative body:
- 1620 (A) for a county that obtained approval from a majority of the county's registered
- 1621 voters voting on the imposition of a sales and use tax under this section prior to
- 1622 May 10, 2016, may, in consultation with any cities, towns, or eligible political
- 1623 subdivisions within the county, and in compliance with the requirements for
- 1624 changing an allocation under Subsection (7)(e), allocate the revenue under
- 1625 Subsection (5)(a)(ii) or (5)(b)(ii) by adopting a resolution specifying the
- 1626 percentage of revenue under Subsection (5)(a)(ii) or (5)(b)(ii) that will be

- 1627 allocated to a public transit district or an eligible political subdivision; or
1628 (B) for a county that imposes a sales and use tax under this section on or after
1629 May 10, 2016, shall, in consultation with any cities, towns, or eligible political
1630 subdivisions within the county, allocate the revenue under Subsection (5)(a)(ii)
1631 or (5)(b)(ii) by adopting a resolution specifying the percentage of revenue
1632 under Subsection (5)(a)(ii) or (5)(b)(ii) that will be allocated to a public transit
1633 district or an eligible political subdivision.
- 1634 (ii) If a county described in Subsection (7)(a)(i)(A) does not allocate the revenue
1635 under Subsection (5)(a)(ii) or (5)(b)(ii) in accordance with Subsection (7)(a)(i)(A),
1636 the commission shall distribute 100% of the revenue under Subsection (5)(a)(ii) or
1637 (5)(b)(ii) to:
- 1638 (A) a public transit district for a city or town within the county that is annexed into
1639 a single public transit district; or
1640 (B) an eligible political subdivision within the county.
- 1641 (b) If a county legislative body allocates the revenue as described in Subsection (7)(a)(i),
1642 the county legislative body shall allocate not less than 25% of the revenue under
1643 Subsection (5)(a)(ii) or (5)(b)(ii) to:
- 1644 (i) a public transit district for a city or town within the county that is annexed into a
1645 single public transit district; or
1646 (ii) an eligible political subdivision within the county.
- 1647 (c) Notwithstanding Section 59-12-2208, the opinion question described in Section
1648 59-12-2208 shall state the allocations the county legislative body makes in
1649 accordance with this Subsection (7).
- 1650 (d) The commission shall make the distributions required by Subsection (5)(a)(ii) or
1651 (5)(b)(ii) as follows:
- 1652 (i) the percentage specified by a county legislative body shall be distributed in
1653 accordance with a resolution adopted by a county legislative body under
1654 Subsection (7)(a) to an eligible political subdivision or a public transit district
1655 within the county; and
- 1656 (ii) except as provided in Subsection (7)(a)(ii), if a county legislative body allocates
1657 less than 100% of the revenue under Subsection (5)(a)(ii) or (5)(b)(ii) to a public
1658 transit district or an eligible political subdivision, the remainder of the revenue
1659 under Subsection (5)(a)(ii) or (5)(b)(ii) not allocated by a county legislative body
1660 through a resolution under Subsection (7)(a) shall be distributed as follows:

- 1661 (A) 50% of the revenue as provided in Subsection (6); and
1662 (B) 50% of the revenue to the county legislative body.
- 1663 (e) If a county legislative body seeks to change an allocation specified in a resolution
1664 under Subsection (7)(a), the county legislative body may change the allocation by:
1665 (i) adopting a resolution in accordance with Subsection (7)(a) specifying the
1666 percentage of revenue under Subsection (5)(a)(ii) or (5)(b)(ii) that will be
1667 allocated to a public transit district or an eligible political subdivision;
1668 (ii) obtaining approval to change the allocation of the sales and use tax by a majority
1669 of all the members of the county legislative body; and
1670 (iii) subject to Subsection (7)(f):
1671 (A) in accordance with Section 59-12-2208, submitting an opinion question to the
1672 county's registered voters voting on changing the allocation so that each
1673 registered voter has the opportunity to express the registered voter's opinion on
1674 whether the allocation should be changed; and
1675 (B) in accordance with Section 59-12-2208, obtaining approval to change the
1676 allocation from a majority of the county's registered voters voting on changing
1677 the allocation.
- 1678 (f) Notwithstanding Section 59-12-2208, the opinion question required by Subsection
1679 (7)(e)(iii)(A) shall state the allocations specified in the resolution adopted in
1680 accordance with Subsection (7)(e) and approved by the county legislative body in
1681 accordance with Subsection (7)(e)(ii).
- 1682 (g)(i) If a county makes an allocation by adopting a resolution under Subsection
1683 (7)(a) or changes an allocation by adopting a resolution under Subsection (7)(e),
1684 the allocation shall take effect on the first distribution the commission makes
1685 under this section after a 90-day period that begins on the date the commission
1686 receives written notice meeting the requirements of Subsection (7)(g)(ii) from the
1687 county.
1688 (ii) The notice described in Subsection (7)(g)(i) shall state:
1689 (A) that the county will make or change the percentage of an allocation under
1690 Subsection (7)(a) or (e); and
1691 (B) the percentage of revenue under Subsection (5)(a)(ii) or (5)(b)(ii) that will be
1692 allocated to a public transit district or an eligible political subdivision.
- 1693 (8)(a) If a public transit district is organized after the date a county legislative body first
1694 imposes a tax under this section, a change in a distribution required by this section

may not take effect until the first distribution the commission makes under this section after a 90-day period that begins on the date the commission receives written notice from the public transit district of the organization of the public transit district.

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

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

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

(A) reducing transportation related debt;

(B) a regionally significant transportation facility; or

(C) a public transit project of regional significance.

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

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

(10) A county, city, or town may expend revenue collected from a tax under this section, except for revenue the commission distributes in accordance with Subsection (3)(a), (4)(a)(i), (4)(b)(i), or (7)(d)(i), for a purpose described in Section 59-12-2212.2.

(11)(a) A public transit district or an eligible political subdivision may expend revenue

the commission distributes in accordance with Subsection (3)(a), (4)(a)(i), (4)(b)(i), or (7)(d)(i) for capital expenses and service delivery expenses of the public transit district or eligible political subdivision.

(b) As provided in Section 59-12-2212.2, for the .10% designated for public transit described in Subsection (3)(a) that is not contractually obligated for debt service, beginning on July 1, [2025] 2026, a public transit district shall make available to the Department of Transportation an amount equal to 10% of the .10% to be used for public transit innovation grants as provided in Title 72, Chapter 2, Part [3] 4, Public Transit Innovation Grants.

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

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

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

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

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

(b) The following cities or towns may impose a sales and use tax described in Subsection (14)(a):

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

(ii) an eligible political subdivision.

(c) If a city or town imposes a sales and use tax as provided in this section, the

commission shall distribute the sales and use tax revenue collected by the city or town as follows:

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

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

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

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

(d) If a city or town imposes a sales and use tax under this section and the county subsequently imposes a sales and use tax under this section, the commission shall distribute the sales and use tax revenue collected within the city or town as described in Subsection (14)(c).

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

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

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

Section 11. Section **59-12-2220** is amended to read:

59-12-2220 (Effective 05/07/25). County option sales and use tax to fund highways or a system for public transit -- Base -- Rate.

(1) Subject to the other provisions of this part and subject to the requirements of this section, the following counties may impose a sales and use tax under this section:

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

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

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

(A) Section 59-12-2213;

(B) Section 59-12-2214;

(C) Section 59-12-2215;

- 1797 (D) Section 59-12-2216;
1798 (E) Section 59-12-2217;
1799 (F) Section 59-12-2218; and
1800 (G) Section 59-12-2219;
- 1801 (b) if the county is not annexed into a large public transit district, the county legislative
1802 body may impose the sales and use tax on the transactions described in Subsection
1803 59-12-103(1) located within the county, including the cities and towns within the
1804 county if:
- 1805 (i) the county is an eligible political subdivision; or
1806 (ii) a city or town within the boundary of the county is an eligible political
1807 subdivision; or
- 1808 (c) a county legislative body of a county not described in Subsection (1)(a) or (1)(b) may
1809 impose the sales and use tax on the transactions described in Subsection 59-12-103
1810 (1) located within the county, including the cities and towns within the county.
- 1811 (2) For purposes of Subsection (1) and subject to the other provisions of this section, a
1812 county legislative body that imposes a sales and use tax under this section may impose
1813 the tax at a rate of .2%.
- 1814 (3)(a) The commission shall distribute sales and use tax revenue collected under this
1815 section as determined by a county legislative body as described in Subsection (3)(b).
- 1816 (b) If a county legislative body imposes a sales and use tax as described in this section,
1817 the county legislative body may elect to impose a sales and use tax revenue
1818 distribution as described in Subsection (4), (5), (6), or (7), depending on the class of
1819 county, and presence and type of a public transit provider in the county.
- 1820 (4) If a county legislative body imposes a sales and use tax as described in this section, and
1821 the entire boundary of the county is annexed into a large public transit district, and the
1822 county is a county of the first class, the commission shall distribute the sales and use tax
1823 revenue as follows:
- 1824 (a) .10% to a public transit district as described in Subsection (11);
1825 (b) .05% to the cities and towns as provided in Subsection (8); and
1826 (c) .05% to the county legislative body.
- 1827 (5) If a county legislative body imposes a sales and use tax as described in this section and
1828 the entire boundary of the county is annexed into a large public transit district, and the
1829 county is a county not described in Subsection (4), the commission shall distribute the
1830 sales and use tax revenue as follows:

1831 (a) .10% to a public transit district as described in Subsection (11);

1832 (b) .05% to the cities and towns as provided in Subsection (8); and

1833 (c) .05% to the county legislative body.

1834 (6)(a) Except as provided in Subsection (12)(c), if the entire boundary of a county that
1835 imposes a sales and use tax as described in this section is not annexed into a single
1836 public transit district, but a city or town within the county is annexed into a single
1837 public transit district, or if the city or town is an eligible political subdivision, the
1838 commission shall distribute the sales and use tax revenue collected within the county
1839 as provided in Subsection (6)(b) or (c).

1840 (b) For a city, town, or portion of the county described in Subsection (6)(a) that is
1841 annexed into the single public transit district, or an eligible political subdivision, the
1842 commission shall distribute the sales and use tax revenue collected within the portion
1843 of the county that is within a public transit district or eligible political subdivision as
1844 follows:

1845 (i) .05% to a public transit provider as described in Subsection (11);

1846 (ii) .075% to the cities and towns as provided in Subsection (8); and

1847 (iii) .075% to the county legislative body.

1848 (c) Except as provided in Subsection (12)(c), for a city, town, or portion of the county
1849 described in Subsection (6)(a) that is not annexed into a single public transit district
1850 or eligible political subdivision in the county, the commission shall distribute the
1851 sales and use tax revenue collected within that portion of the county as follows:

1852 (i) .08% to the cities and towns as provided in Subsection (8); and

1853 (ii) .12% to the county legislative body.

1854 (7) For a county without a public transit service that imposes a sales and use tax as
1855 described in this section, the commission shall distribute the sales and use tax revenue
1856 collected within the county as follows:

1857 (a) .08% to the cities and towns as provided in Subsection (8); and

1858 (b) .12% to the county legislative body.

1859 (8)(a) Subject to Subsections (8)(b) and (c), the commission shall make the distributions
1860 required by Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)(a) as follows:

1861 (i) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii),
1862 (6)(c)(i), and (7)(a) within the counties that impose a tax under Subsections (4)
1863 through (7) shall be distributed to the unincorporated areas, cities, and towns
1864 within those counties on the basis of the percentage that the population of each

- unincorporated area, city, or town bears to the total population of all of the counties that impose a tax under this section; and
- (ii) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)(a) within the counties that impose a tax under Subsections (4) through (7) shall be distributed to the unincorporated areas, cities, and towns within those counties on the basis of the location of the transaction as determined under Sections 59-12-211 through 59-12-215.
- (b)(i) Population for purposes of this Subsection (8) shall be determined on the basis of the most recent official census or census estimate of the United States Census Bureau.
- (ii) If a needed population estimate is not available from the United States Census Bureau, population figures shall be derived from an estimate from the Utah Population Estimates Committee created by executive order of the governor.
- (c)(i) Beginning on January 1, 2024, if the Housing and Community Development Division within the Department of Workforce Services determines that a city or town is ineligible for funds in accordance with Subsection 10-9a-408(7), beginning the first day of the calendar quarter after receiving 90 days' notice, the commission shall distribute the distribution that city or town would have received under Subsection (8)(a) to cities or towns to which Subsection 10-9a-408(7) does not apply.
- (ii) Beginning on January 1, 2024, if the Housing and Community Development Division within the Department of Workforce Services determines that a county is ineligible for funds in accordance with Subsection 17-27a-408(7), beginning the first day of the calendar quarter after receiving 90 days' notice, the commission shall distribute the distribution that county would have received under Subsection (8)(a) to counties to which Subsection 17-27a-408(7) does not apply.
- (9) If a public transit service is organized after the date a county legislative body first imposes a tax under this section, a change in a distribution required by this section may not take effect until the first distribution the commission makes under this section after a 90-day period that begins on the date the commission receives written notice from the public transit provider that the public transit service has been organized.
- (10)(a) Except as provided in Subsection (10)(b), a county, city, or town that received distributions described in Subsections (4)(b), (4)(c), (5)(b), (5)(c), (6)(b)(ii), (6)(b)(iii), (6)(c), and (7) may only expend those funds for a purpose described in

1899 Section 59-12-2212.2.

1900 (b) If a county described in Subsection (1)(a) that is a county of the first class imposes
1901 the sales and use tax authorized in this section, the county may also use funds
1902 distributed in accordance with Subsection (4)(c) for public safety purposes.

1903 (11)(a) Subject to Subsections (11)(b), (c), and (d), revenue designated for public transit
1904 as described in this section may be used for capital expenses and service delivery
1905 expenses of:

1906 (i) a public transit district;

1907 (ii) an eligible political subdivision; or

1908 (iii) another entity providing a service for public transit or a transit facility within the
1909 relevant county, as those terms are defined in Section 17B-2a-802.

1910 (b)(i)(A) If a county of the first class imposes a sales and use tax described in this
1911 section, for a three-year period following the date on which the county imposes
1912 the sales and use tax under this section, revenue designated for public transit
1913 within a county of the first class as described in Subsection (4)(a) shall be
1914 transferred to the County of the First Class Highway Projects Fund created in
1915 Section 72-2-121.

1916 (B) Revenue deposited into the County of the First Class Highway Projects Fund
1917 created in Section 72-2-121 as described in Subsection (11)(b)(i)(A) may be
1918 used for public transit innovation grants as provided in Title 72, Chapter 2, Part [
1919 3] 4, Public Transit Innovation Grants.

1920 (ii) If a county of the first class imposes a sales and use tax described in this section,
1921 beginning on the day three years after the date on which the county imposed the
1922 tax as described in Subsection (11)(b)(i), for revenue designated for public transit
1923 as described in Subsection (4)(a):

1924 (A) 50% of the revenue from a sales and use tax imposed under this section in a
1925 county of the first class shall be transferred to the County of the First Class
1926 Highway Projects Fund created in Section 72-2-121; and

1927 (B) 50% of the revenue from a sales and use tax imposed under this section in a
1928 county of the first class shall be transferred to the Transit Transportation
1929 Investment Fund created in Subsection 72-2-124(9).

1930 (c)(i) If a county that is not a county of the first class for which the entire boundary of
1931 the county is annexed into a large public transit district imposes a sales and use
1932 tax described in this section, for a three-year period following the date on which

the county imposes the sales and use tax under this section, revenue designated for public transit as described in Subsection (5)(a) shall be transferred to the relevant county legislative body to be used for a purpose described in Subsection (11)(a).

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

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

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

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

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

(b) If a county passes an ordinance to impose a sales and use tax as described in this section, the sales and use tax shall take effect on the first day of the calendar quarter after a 90-day period that begins on the date the commission receives written notice from the county of the passage of the ordinance.

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

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

(b) The limitation under Subsection (13)(a) does not apply to a designated transportation or public transit capital or reserve account a county, city, or town established before the date the tax becomes effective.

Section 12. Section **63B-11-502** is amended to read:

- 1967 **63B-11-502 (Effective 05/07/25). Maximum amount -- Projects authorized.**
- 1968 (1) The total amount of bonds issued under this part may not exceed \$52,101,800.
- 1969 (2)(a)(i) Proceeds from the issuance of bonds shall be provided to the Department of
- 1970 Transportation to provide funds to pay all or part of the costs of accelerating any
- 1971 of the following state highway construction or reconstruction projects in Salt Lake
- 1972 County:
- 1973 (A) I-15: 10600 South to the Utah County line;
- 1974 (B) Final Environmental Impact Statement for Western Transportation Corridor:
- 1975 I-80 to Utah County;
- 1976 (C) I-215: Redwood Road to 4700 South;
- 1977 (D) State Street Reconstruction: 9000 South to 10600 South; and
- 1978 (E) except as provided in Subsection (2)(d), State Street Reconstruction: 7800
- 1979 South to 8000 South.
- 1980 (ii) If the Department of Transportation is unable to begin or complete a project
- 1981 authorized by this Subsection (2)(a) because of a court order, the Department of
- 1982 Transportation, with the approval of Salt Lake County, may expend bond
- 1983 proceeds to construct one or more projects identified in Subsection (2)(e).
- 1984 (b) When the Utah Transit Authority certifies to the Transportation Commission that the
- 1985 Utah Transit Authority will pay half the costs of reconstruction of the Utah Transit
- 1986 Authority railroad overpass on 8000 South State Street, the Department of
- 1987 Transportation may provide funds from bond proceeds to pay the other half of the
- 1988 costs of reconstruction of the Utah Transit Authority railroad overpass on 8000 South.
- 1989 (c) As used in Subsections (2)(a) and (b), "costs" may include the cost of acquiring land,
- 1990 interests in land, easements and rights-of-way, improving sites, and making all
- 1991 improvements necessary, incidental, or convenient to the facilities, interest estimated
- 1992 to accrue on these bonds during the period to be covered by construction of the
- 1993 projects plus a period of six months after the end of the construction period, interest
- 1994 estimated to accrue on any bond anticipation notes issued under the authority of
- 1995 Chapter 11, Part 6, 2002 Highway General Obligation Bond Anticipation Notes for
- 1996 Salt Lake County, and all related engineering, architectural, and legal fees.
- 1997 (d) Bond proceeds may not be expended on the State Street Reconstruction: 7800 to
- 1998 8000 South project until the Transportation Commission has received the
- 1999 certification required by Subsection (2)(b) from the Utah Transit Authority.
- 2000 (e) As the following projects or future projects identified by Salt Lake County and the

Legislature are prepared and ready for construction by the Department of Transportation, it is the intent of the Legislature that they will be accelerated and funded from future general obligation bonds issued in anticipation of receiving debt service funds from the amount described in Subsection 59-12-2214(3)(b) and from other funding sources available to the Department of Transportation[~~including money available from the Centennial Highway Fund and the Statewide Transportation Improvement Plan~~]:

- (i) 5600 West Reconstruction: 4500 South to 7000 South;
- (ii) Redwood Road: 12600 South to Bangerter Highway;
- (iii) I-15: Beck Street Overpass;
- (iv) I-215: 4700 South to SR-201;
- (v) acquisition of rights-of-way for the Western Transportation Corridor;
- (vi) 11400 South: I-15 to Redwood Road; and
- (vii) State Street Reconstruction 6400 South to 7800 South and 8000 South to 9000 South.

- (3) If any portion of the proceeds of the tax paid to the state are not required to pay principal, interest, and issuance costs of the bonds and the principal, interest, and issuance costs of the bond have been paid off, or if, after completion of the projects authorized under Subsection (2)(a) and payment of the costs of issuing and selling the bonds under Section 63B-11-503, any bond proceeds remain unexpended, the Department of Transportation may use those unexpended proceeds to pay all or part of the costs of construction projects in Salt Lake County that have been approved and prioritized by the Transportation Commission.
- (4) The commission, by resolution, or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (5) The Department of Transportation may enter into agreements related to the projects before the receipt of proceeds of bonds issued under this chapter.

Section 13. Section **63B-31-101** is amended to read:

63B-31-101 (Effective 05/07/25). General obligation bonds -- Maximum amount -- Use of proceeds for projects.

- (1)(a) Subject to the restriction in Subsection (1)(c), the total amount of bonds issued under this section may not exceed \$264,000,000 for acquisition and construction proceeds, plus additional amounts as provided in Subsection (1)(b).
- (b) When the Department of Transportation certifies to the commission the amount of

bond proceeds needed to provide funding for the projects described in this section, the commission may issue and sell general obligation bonds in an amount equal to the certified amount, plus additional amounts necessary to pay costs of issuance, to pay capitalized interest, and to fund any existing debt service reserve requirements, not to exceed 1% of the certified amount.

(c) The commission may not issue general obligation bonds authorized under this section if the issuance of the general obligation bonds would result in the total current outstanding general obligation debt of the state exceeding 50% of the limitation described in the Utah Constitution, Article XIV, Section 1.

(2) Proceeds from the bonds issued under this section shall be provided to the Department of Transportation to pay for, or to provide funds in accordance with this section to pay for, the costs of right-of-way acquisition, construction, reconstruction, renovations, or improvements with respect to projects described in this section.

(3) It is the intent of the Legislature that as transportation projects are prioritized under Section 72-2-124, the Transportation Commission give consideration to projects beyond the normal programming horizon.

(4)(a) Two hundred thirty-two million dollars of the proceeds of bonds issued under this section shall be used to double track strategic sections of the FrontRunner commuter rail system, to be repaid from the Transit Transportation Investment Fund under Subsection ~~[72-2-124(9)]~~ 72-2-124(10).

(b) The issuance of the bonds for the purpose described in Subsection (4)(a) is contingent upon the establishment of an agreement between the Department of Transportation and the Utah Transit Authority whereby the Utah Transit Authority agrees to pay \$5,000,000 per year for 15 years toward repayment of the bonds.

(5)(a) Twenty-nine million dollars of the proceeds of bonds issued under this section shall be provided to the Department of Transportation to pass through to Brigham City to be used for a Forest Street rail bridge project in Brigham City.

(b) Payments shall be made from the Rail Transportation Restricted Account created in Section 72-2-131, from the amount designated under Subsection 72-2-131(4)(c), in the amount per year of the principal and interest payments due under the bonds issued under Subsection (5)(a) until those bonds have been repaid in full.

(6)(a) Three million dollars of the proceeds of bonds issued under this section shall be provided to the Department of Transportation to pass through to the city of North Salt Lake for an environmental study for a grade separation at 1100 North in North Salt

2069 Lake.

2070 (b) Payments shall be made from the Rail Transportation Restricted Account created in
2071 Section 72-2-131, from the amount designated under Subsection 72-2-131(4)(b), in
2072 the amount per year of the principal and interest payments due under the bonds
2073 issued under Subsection (6)(a) until those bonds have been repaid in full.

2074 (7) The costs under Subsection (2) may include the costs of studies necessary to make
2075 transportation infrastructure improvements, the costs of acquiring land, interests in land,
2076 and easements and rights-of-way, the costs of improving sites and making all
2077 improvements necessary, incidental, or convenient to the facilities, and the costs of
2078 interest estimated to accrue on these bonds during the period to be covered by
2079 construction of the projects plus a period of six months after the end of the construction
2080 period, interest estimated to accrue on any bond anticipation notes issued under the
2081 authority of this title, and all related engineering, architectural, and legal fees.

2082 (8) The commission or the state treasurer may make any statement of intent relating to a
2083 reimbursement that is necessary or desirable to comply with federal tax law.

2084 (9) The Department of Transportation may enter into agreements related to the projects
2085 described in Subsection (4) before the receipt of proceeds of bonds issued under this
2086 section.

2087 Section 14. Section **63I-1-272** is amended to read:

2088 **63I-1-272 (Effective 05/07/25). Repeal dates: Title 72.**

2089 (1) Subsection 72-1-217(4), regarding highway reduction strategies within Salt Lake City,
2090 is repealed July 1, 2028.

2091 [(4)] (2) Section 72-2-134, Transportation Infrastructure General Fund Support Subfund, is
2092 repealed July 1, 2027.

2093 [(2)] (3) Title 72, Chapter 4, Part 3, Utah State Scenic Byway Program, is repealed January
2094 2, 2030.

2095 Section 15. Section **63J-3-103** is amended to read:

2096 **63J-3-103 (Effective 05/07/25). Definitions.**

2097 As used in this chapter:

2098 (1)(a) "Appropriations" means actual unrestricted capital and operating appropriations
2099 from unrestricted General Fund and Income Tax Fund sources.

2100 (b) "Appropriations" includes appropriations that are contingent upon available
2101 surpluses in the General Fund and Income Tax Fund.

2102 (c) "Appropriations" does not mean:

- 2103 (i) public education expenditures;
- 2104 (ii) Utah Education and Telehealth Network expenditures in support of public
- 2105 education;
- 2106 (iii) Utah Board of Higher Education expenditures in support of public education;
- 2107 (iv) State Tax Commission expenditures related to collection of income taxes in
- 2108 support of public education;
- 2109 (v) debt service expenditures;
- 2110 (vi) emergency expenditures;
- 2111 (vii) expenditures from all other fund or subfund sources;
- 2112 (viii) transfers or appropriations from the Income Tax Fund to the Uniform School
- 2113 Fund;
- 2114 (ix) transfers into, or appropriations made to, the General Fund Budget Reserve
- 2115 Account established in Section 63J-1-312;
- 2116 (x) transfers into, or appropriations made to, the Income Tax Fund Budget Reserve
- 2117 Account established in Section 63J-1-313;
- 2118 (xi) transfers in accordance with Section 63J-1-314 into, or appropriations made to
- 2119 the Wildland Fire Suppression Fund created in Section 65A-8-204, the
- 2120 Wildland-urban Interface Prevention, Preparedness, and Mitigation Fund created
- 2121 in Section 65A-8-215, or the State Disaster Recovery Restricted Account created
- 2122 in Section 53-2a-603;
- 2123 (xii) money appropriated to fund the total one-time project costs for the construction
- 2124 of capital development projects as defined in Section 63A-5b-401;
- 2125 [~~(xiii)~~ transfers or deposits into or appropriations made to the Centennial Highway
- 2126 Fund created by Section 72-2-118;]
- 2127 [~~(xiv)~~] (xiii) transfers or deposits into or appropriations made to the Transportation
- 2128 Investment Fund of 2005 created by Section 72-2-124;
- 2129 [~~(xv)~~] (xiv) transfers or deposits into or appropriations made to:
- 2130 (A) the Department of Transportation from any source; or
- 2131 (B) any transportation-related account or fund from any source; or
- 2132 [~~(xvi)~~] (xv) supplemental appropriations from the General Fund to the Division of
- 2133 Forestry, Fire, and State Lands to provide money for wildland fire control
- 2134 expenses incurred during the current or previous fire years.
- 2135 (2) "Base year real per capita appropriations" means the result obtained for the state by
- 2136 dividing the fiscal year 1985 actual appropriations of the state less debt money by:

- 2137 (a) the state's July 1, 1983 population; and
2138 (b) the fiscal year 1983 inflation index divided by 100.
- 2139 (3) "Calendar year" means the time period beginning on January 1 of any given year and
2140 ending on December 31 of the same year.
- 2141 (4) "Fiscal emergency" means an extraordinary occurrence requiring immediate
2142 expenditures and includes the settlement under Laws of Utah 1988, Fourth Special
2143 Session, Chapter 4.
- 2144 (5) "Fiscal year" means the time period beginning on July 1 of any given year and ending
2145 on June 30 of the subsequent year.
- 2146 (6) "Fiscal year 1985 actual base year appropriations" means fiscal year 1985 actual capital
2147 and operations appropriations from General Fund and non-Uniform School Fund income
2148 tax revenue sources, less debt money.
- 2149 (7) "Inflation index" means the change in the general price level of goods and services as
2150 measured by the Gross National Product Implicit Price Deflator of the Bureau of
2151 Economic Analysis, U.S. Department of Commerce calculated as provided in Section
2152 63J-3-202.
- 2153 (8)(a) "Maximum allowable appropriations limit" means the appropriations that could
2154 be, or could have been, spent in any given year under the limitations of this chapter.
- 2155 (b) "Maximum allowable appropriations limit" does not mean actual appropriations
2156 spent or actual expenditures.
- 2157 (9) "Most recent fiscal year's inflation index" means the fiscal year inflation index two
2158 fiscal years previous to the fiscal year for which the maximum allowable inflation and
2159 population appropriations limit is being computed under this chapter.
- 2160 (10) "Most recent fiscal year's population" means the fiscal year population two fiscal years
2161 previous to the fiscal year for which the maximum allowable inflation and population
2162 appropriations limit is being computed under this chapter.
- 2163 (11) "Population" means the number of residents of the state as of July 1 of each year as
2164 calculated by the Governor's Office of Planning and Budget according to the procedures
2165 and requirements of Section 63J-3-202.
- 2166 (12) "Revenues" means the revenues of the state from every tax, penalty, receipt, and other
2167 monetary exaction and interest connected with it that are recorded as unrestricted
2168 revenue of the General Fund and from non-Uniform School Fund income tax revenues,
2169 except as specifically exempted by this chapter.
- 2170 (13) "Security" means any bond, note, warrant, or other evidence of indebtedness, whether

or not the bond, note, warrant, or other evidence of indebtedness is or constitutes an "indebtedness" within the meaning of any provision of the constitution or laws of this state.

Section 16. Section **72-1-201** is amended to read:

**72-1-201 (Effective 05/07/25). Creation of Department of Transportation --
Functions, powers, duties, rights, and responsibilities.**

- (1) There is created the Department of Transportation which shall:
- (a) have the general responsibility for planning, research, design, construction, maintenance, security, and safety of state transportation systems;
 - (b) provide administration for state transportation systems and programs;
 - (c) implement the transportation policies of the state;
 - (d) plan, develop, construct, and maintain state transportation systems that are safe, reliable, environmentally sensitive, and serve the needs of the traveling public, commerce, and industry;
 - (e) establish standards and procedures regarding the technical details of administration of the state transportation systems as established by statute and administrative rule;
 - (f) advise the governor and the Legislature about state transportation systems needs;
 - (g) coordinate with utility companies for the reasonable, efficient, and cost-effective installation, maintenance, operation, relocation, and upgrade of utilities within state highway rights-of-way;
 - (h) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, make rules for the administration of the department, state transportation systems, and programs;
 - (i) jointly with the commission annually report to the Transportation Interim Committee, by November 30 of each year, as to the operation, maintenance, condition, mobility, safety needs, and wildlife and livestock mitigation for state transportation systems;
 - (j) ensure that any training or certification required of a public official or public employee, as those terms are defined in Section 63G-22-102, complies with Title 63G, Chapter 22, State Training and Certification Requirements, if the training or certification is required:
 - (i) under this title;
 - (ii) by the department; or
 - (iii) by an agency or division within the department;
 - (k) study and make recommendations to the Legislature on potential managed lane use

- 2205 and implementation on selected transportation systems within the state;
- 2206 (l) before July 1 of each year, coordinate with the Utah Highway Patrol Division created
- 2207 in Section 53-8-103 regarding:
- 2208 (i) future highway projects that will add additional capacity to the state transportation
- 2209 system;
- 2210 (ii) potential changes in law enforcement responsibilities due to future highway
- 2211 projects; and
- 2212 (iii) incident management services on state highways; and
- 2213 (m) provide public transit services, in consultation with any relevant public transit
- 2214 provider.

2215 (2) For a proposed transportation project that includes a gondola in the Cottonwood

2216 Canyons area of Salt Lake County for which the department has completed an

2217 environmental impact statement, the department may only construct the project in the

2218 phasing sequence as provided in the record of decision associated with the

2219 environmental impact statement.

2220 [(2)] (3)(a) The department shall exercise reasonable care in designing, constructing, and

2221 maintaining a state highway in a reasonably safe condition for travel.

2222 (b) Nothing in this section shall be construed as:

2223 (i) creating a private right of action; or

2224 (ii) expanding or changing the department's common law duty as described in

2225 Subsection [(2)(a)] (3)(a) for liability purposes.

2226 Section 17. Section **72-1-212** is amended to read:

2227 **72-1-212 (Effective 05/07/25). Special use permitting -- Rulemaking.**

2228 (1) As used in this section:

2229 (a) "Law enforcement agency" means the same as that term is defined in Section [

2230 ~~53-3-102~~] 53-1-102.

2231 (b) "Special use permit" means a permit issued:

2232 (i) for a special use or a special event that takes place on a highway; or

2233 (ii) to a law enforcement agency to install an automatic license plate reader on a state

2234 highway for the purpose of capturing license plate data of vehicles traveling on a

2235 state highway, regardless of whether the device is installed on property owned by

2236 the department or the law enforcement agency.

2237 (2) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and in

2238 consultation with representatives of the Utah League of Cities and Towns and the Utah

Association of Counties, the department shall make rules that are not inconsistent with this chapter or the constitution and laws of this state or of the United States governing the issuance of a special use permit to maintain public safety and serve the needs of the traveling public.

(3) The rules described in Subsection (2) may:

- (a) establish the highways for which the highest number of special use permits are issued;
- (b) develop, in consultation with municipalities, a limit on the number of special use permits that may be issued in any calendar year on a particular highway;
- (c) require a person to submit an application designated by the department before the department issues a special use permit;
- (d) limit the number of special use permits issued on any one day for any specified location based on a first-come, first-served basis for completed applications;
- (e) establish criteria for evaluating completed applications, such as historic use, potential economic benefit, or other relevant factors;
- (f) specify conditions that are required to be met before a special use permit may be issued;
- (g) establish a penalty for failure to fulfill conditions required by the special use permit, including suspension of the special use permit or suspension of a future special use permit;
- (h) require an applicant to obtain insurance for certain special uses or special events; or
- (i) provide other requirements to maintain public safety and serve the needs of the traveling public.

(4) The limit on the number of special use permits described in Subsection (3)(b) may not include:

- (a) a special use permit issued for a municipality-sponsored special use or special event on a highway within the jurisdiction of the municipality; or
- (b) a special use permit issued to a law enforcement agency to install a device as part of an automatic license plate reader system authorized by Section 41-6a-2003.

(5) The rules described in Subsection (2) shall consider:

- (a) traveler safety and mobility;
- (b) the safety of special use or special event participants;
- (c) emergency access;
- (d) the mobility of residents close to the event or use;

- 2273 (e) access and economic impact to businesses affected by changes to the normal
2274 operation of highway traffic;
- 2275 (f) past performance of an applicant's adherence to special use permit requirements; and
2276 (g) whether a law enforcement agency applying for a special use permit has published a
2277 policy online as required by Section 41-6a-2003.
- 2278 (6) Notwithstanding any other provision of this chapter, the department may also require a
2279 law enforcement agency applying for a special use permit described in this section to
2280 obtain an encroachment permit.
- 2281 (7) The department shall adopt a fee schedule in accordance with Section 63J-1-504 that
2282 reflects the cost of services provided by the department associated with special use
2283 permits and with special uses or special events that take place on a highway.
- 2284 (8) For a device installed in accordance with Section 41-6a-2003, the installation,
2285 maintenance, data collection, and removal are the responsibility of the law enforcement
2286 agency that obtains the special use permit.
- 2287 (9)(a) The department shall preserve a record of special use permits issued to a law
2288 enforcement agency, including the stated purpose for each permit.
- 2289 (b) The department shall preserve a record identified in Subsection (9)(a) for at least five
2290 years.
- 2291 Section 18. Section **72-1-213.1** is amended to read:
- 2292 **72-1-213.1 (Effective 05/07/25). Road usage charge program.**
- 2293 (1) As used in this section:
- 2294 (a) "Account manager" means an entity under contract with the department to administer
2295 and manage the road usage charge program.
- 2296 (b) "Alternative fuel vehicle" means:
- 2297 (i) an electric motor vehicle as defined in Section 41-1a-102; or
2298 (ii) a motor vehicle powered exclusively by a fuel other than:
- 2299 (A) motor fuel;
2300 (B) diesel fuel;
2301 (C) natural gas; or
2302 (D) propane.
- 2303 (c) "Payment period" means the interval during which an owner is required to report
2304 mileage and pay the appropriate road usage charge according to the terms of the
2305 program.
- 2306 (d) "Program" means the road usage charge program established and described in this

- 2307 section.
- 2308 (e) "Road usage charge cap" means the maximum fee charged to a participant in the
- 2309 program for a registration period.
- 2310 (f) "Road usage charge rate" means the per-mile usage fee charged to a participant in the
- 2311 program.
- 2312 (2) There is established a road usage charge program as described in this section.
- 2313 (3)(a) The department shall implement and oversee the administration of the program,
- 2314 which shall begin on January 1, 2020.
- 2315 (b) To implement and administer the program, the department may contract with an
- 2316 account manager.
- 2317 (4)(a) The owner or lessee of an alternative fuel vehicle may apply for enrollment of the
- 2318 alternative fuel vehicle in the program.
- 2319 (b) If an application for enrollment into the program is approved by the department, the
- 2320 owner or lessee of an alternative fuel vehicle may participate in the program in lieu of
- 2321 paying the fee described in Subsection 41-1a-1206(1)(h) or (2)(b).
- 2322 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and
- 2323 consistent with this section, the department:
- 2324 (a) shall make rules to establish:
- 2325 (i) processes and terms for enrollment into and withdrawal or removal from the
- 2326 program;
- 2327 (ii) payment periods and other payment methods and procedures for the program;
- 2328 (iii) standards for mileage reporting mechanisms for an owner or lessee of an
- 2329 alternative fuel vehicle to report mileage as part of participation in the program;
- 2330 (iv) standards for program functions for mileage recording, payment processing,
- 2331 account management, and other similar aspects of the program;
- 2332 (v) contractual terms between an owner or lessee of an alternative fuel vehicle owner
- 2333 and an account manager for participation in the program;
- 2334 (vi) contractual terms between the department and an account manager, including
- 2335 authority for an account manager to enforce the terms of the program;
- 2336 (vii) procedures to provide security and protection of personal information and data
- 2337 connected to the program, and penalties for account managers for violating
- 2338 privacy protection rules;
- 2339 (viii) penalty procedures for a program participant's failure to pay a road usage
- 2340 charge or tampering with a device necessary for the program; and

- 2341 (ix) department oversight of an account manager, including privacy protection of
2342 personal information and access and auditing capability of financial and other
2343 records related to administration of the program; and
- 2344 (b) may make rules to establish:
- 2345 (i) an enrollment cap for certain alternative fuel vehicle types to participate in the
2346 program;
- 2347 (ii) a process for collection of an unpaid road usage charge or penalty; or
- 2348 (iii) integration of the program with other similar programs, such as tolling.
- 2349 (6) Revenue generated by the road usage charge program and relevant penalties shall be
2350 deposited into the Road Usage Charge Program Special Revenue Fund.
- 2351 (7)(a) The department may:
- 2352 (i)(A) impose a penalty for failure to timely pay a road usage charge according to
2353 the terms of the program or tampering with a device necessary for the program;
2354 and
- 2355 (B) request that the Division of Motor Vehicles place a hold on the registration of
2356 the owner's or lessee's alternative fuel vehicle for failure to pay a road usage
2357 charge or penalty according to the terms of the program;
- 2358 (ii) send correspondence to the owner of an alternative fuel vehicle to inform the
2359 owner or lessee of:
- 2360 (A) the road usage charge program, implementation, and procedures;
- 2361 (B) an unpaid road usage charge and the amount of the road usage charge to be
2362 paid to the department;
- 2363 (C) the penalty for failure to pay a road usage charge within the time period
2364 described in Subsection (7)(a)(iii); and
- 2365 (D) a hold being placed on the owner's or lessee's registration for the alternative
2366 fuel vehicle, if the road usage charge and penalty are not paid within the time
2367 period described in Subsection (7)(a)(iii), which would prevent the renewal of
2368 the alternative fuel vehicle's registration; and
- 2369 (iii) require that the owner or lessee of the alternative fuel vehicle pay the road usage
2370 charge to the department within 30 days of the date when the department sends
2371 written notice of the road usage charge to the owner or lessee.
- 2372 (b) The department shall send the correspondence and notice described in Subsection (7)
- 2373 (a) to the owner of the alternative fuel vehicle according to the terms of the program.
- 2374 (8)(a) The Division of Motor Vehicles and the department shall share and provide access

to information pertaining to an alternative fuel vehicle and participation in the program including:

- (i) registration and ownership information pertaining to an alternative fuel vehicle;
- (ii) information regarding the failure of an alternative fuel vehicle owner or lessee to pay a road usage charge or penalty imposed under this section within the time period described in Subsection (7)(a)(iii); and
- (iii) the status of a request for a hold on the registration of an alternative fuel vehicle.

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

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

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

- (a) report mileage driven as required by the department pursuant to Subsection (5);
- (b) pay the road usage fee for each payment period in accordance with Subsection (5); and
- (c) comply with all other provisions of this section and other requirements of the program.

(11) The department shall submit annually, on or before October 1, to the Transportation Interim Committee, an electronic report that:

- (a) states for the preceding fiscal year:
 - (i) the amount of revenue collected from the program;
 - (ii) the participation rate in the program; and
 - (iii) the department's costs to administer the program; and
- (b) provides for the current fiscal year, an estimate of:
 - (i) the revenue that will be collected from the program;
 - (ii) the participation rate in the program; and
 - (iii) the department's costs to administer the program.

(12)(a) Beginning on January 1, 2023:

- (i) the road usage charge rate is 1.0 cent per mile; and
- (ii) the road usage charge cap is:
 - (A) \$130.25 for an annual registration period; and

- 2409 (B) \$100.75 for a six-month registration period.
- 2410 (b) Beginning on January 1, 2026:
- 2411 (i) the road usage charge rate is 1.25 cents per mile; and
- 2412 (ii) the road usage charge cap is:
- 2413 (A) \$180 for an annual registration period; and
- 2414 (B) \$139 for a six-month registration period.
- 2415 (c) Beginning on January 1, 2032:
- 2416 (i) the road usage charge rate is 1.5 cents per mile, unless the commission establishes
- 2417 a different road usage charge rate in accordance with Subsection (13); and
- 2418 (ii) the road usage charge cap is:
- 2419 (A) \$240 for an annual registration period; and
- 2420 (B) \$185 for a six-month registration period.
- 2421 (d) Beginning in 2024, the department shall, on January 1, annually adjust the road
- 2422 usage charge rates described in this Subsection (12) by taking the road usage charge
- 2423 rate for the previous year and adding an amount equal to the greater of:
- 2424 (i) an amount calculated by multiplying the road usage charge rate of the previous
- 2425 year by the actual percentage change during the previous fiscal year in the
- 2426 Consumer Price Index as determined by the State Tax Commission; and
- 2427 (ii) 0.
- 2428 (e) Beginning in 2024, the State Tax Commission shall, on January 1, annually adjust
- 2429 the road usage charge caps described in this Subsection (12) by taking the road usage
- 2430 charge cap for the previous year and adding an amount equal to the greater of:
- 2431 (i) an amount calculated by multiplying the road usage charge cap of the previous
- 2432 year by the actual percentage change during the previous fiscal year in the
- 2433 Consumer Price Index; and
- 2434 (ii) 0.
- 2435 (f) The amounts calculated as described in Subsection (12)(d) shall be rounded up to the
- 2436 nearest .01 cent.
- 2437 (g) The amounts calculated as described in Subsection (12)(e) shall be rounded up to the
- 2438 nearest 25 cents.
- 2439 (h) On or before January 1 of each year, the department shall publish:
- 2440 (i) the adjusted road usage charge rate described in Subsection (12)(d); and
- 2441 (ii) adjusted road usage charge cap described in Subsection (12)(e).
- 2442 (13)(a) Beginning January 1, 2032, the commission may establish by rule made in

2443 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the road
2444 usage charge rate for each type of alternative fuel vehicle.

2445 (b)(i) Before making rules in accordance with Subsection (13)(a), the commission
2446 shall consult with the department regarding the road usage charge rate for each
2447 type of alternative fuel vehicle.

2448 (ii) The department shall cooperate with and make recommendations to the
2449 commission regarding the road usage charge rate for each type of alternative fuel
2450 vehicle.

2451 Section 19. Section **72-1-217** is amended to read:

2452 **72-1-217 (Effective upon governor's approval). Department of Transportation**
2453 **study items.**

2454 (1) The department shall carry out transportation studies described in this section as
2455 resources allow.

2456 (2)(a) The department shall study items related to advanced air mobility as described in
2457 this Subsection (2).

2458 (b) The department shall study vertiport locations and infrastructure, including:

2459 (i) identification of suitable locations for vertiport infrastructure and parking
2460 infrastructure for vertiports in metropolitan areas;

2461 (ii) identification of commuter rail stations that may be suitable for vertiport
2462 placement; and

2463 (iii) identification of underutilized parking lots and parking structures for vertiport
2464 infrastructure placement.

2465 (c) The department shall study best practices and implementation of advanced air
2466 mobility technologies, including:

2467 (i) seeking input through community engagement;

2468 (ii) state and local regulations;

2469 (iii) unmanned aircraft system traffic management; and

2470 (iv) weather reporting and monitoring for advanced air mobility safety.

2471 (d) The department shall study unmanned aircraft traffic management infrastructure,
2472 including:

2473 (i) unmanned aircraft system traffic management development, implementation,
2474 procedures, policies, and infrastructure; and

2475 (ii) obtaining a full understanding of unmanned aircraft system traffic management,
2476 including:

- 2477 (A) designation of airspace for advanced air mobility;
2478 (B) creation of geographic categorical areas;
2479 (C) identifying the appropriate number and location of advanced air mobility
2480 sensors; and
2481 (D) other state specific details regarding unmanned aircraft system traffic
2482 management.
- 2483 (e) The department shall study the creation of an advanced air mobility sandbox,
2484 including:
- 2485 (i) potential locations for the sandbox testing area and desirable attributes of a
2486 suitable sandbox location;
- 2487 (ii) requirements to create a geographical advanced air mobility testing area and the
2488 parameters for the types of technology that may be utilized in the testing area; and
2489 (iii) testing and studying different types of advanced air mobility transportation of
2490 manned and unmanned aerial vehicles, including:
- 2491 (A) aerial vehicle size;
2492 (B) aerial vehicles that carry cargo, including medical cargo;
2493 (C) commercial aerial vehicles; and
2494 (D) public transportation aerial vehicles.
- 2495 (f) On or before September 30, 2023, the department shall provide a report to the
2496 Transportation Interim Committee of the department's findings from the study items
2497 described in Subsections (2)(b) through (2)(e).
- 2498 (g) The department may only use existing funds to cover the expenses incurred from the
2499 study of items described in Subsections (2)(b) through (2)(e).
- 2500 (3)(a) The department and a large public transit district shall jointly study programs
2501 offered by government entities related to human services transportation, including:
- 2502 (i) coordinated mobility services;
2503 (ii) paratransit services;
2504 (iii) nonemergency medical transportation;
2505 (iv) youth transportation programs, excluding school bus transportation; and
2506 (v) other similar fare-based or fee-based programs provided or coordinated within the
2507 boundary of the large public transit district, including those involving the
2508 department, a large public transit district, local governments, or other government
2509 agencies and nonprofit entities that provide similar services.
- 2510 (b) The study shall evaluate strategies to consolidate the transportation services

- 2511 described in Subsection (3)(a) to improve efficiency and service.
- 2512 (c) The department and large public transit district shall:
- 2513 (i) provide a preliminary report on the study to the Transportation Interim Committee
- 2514 on or before November 1, 2025; and
- 2515 (ii) prepare and present recommendations to the Transportation Interim Committee
- 2516 on or before November 1, 2026, for the consolidation of the services described in
- 2517 Subsection (3)(a).
- 2518 (4)(a) As used in this Subsection (4):
- 2519 (i) "City" means Salt Lake City.
- 2520 (ii) "Highway reduction strategy" means any strategy that has the potential to
- 2521 decrease the number of vehicles that can travel on a highway per hour, including:
- 2522 (A) permanently reducing the number of motorized vehicle travel lanes on an
- 2523 arterial or collector road;
- 2524 (B) permanently narrowing existing motorized vehicle travel lanes on an arterial
- 2525 or collector road; or
- 2526 (C) any other strategy that when implemented may increase congestion for motor
- 2527 vehicles driving on an arterial or collector road.
- 2528 (iii) "Mobility and environmental impact analysis" means a study that assesses the
- 2529 impacts within the study area of implementing a highway reduction strategy on
- 2530 collector and arterial highways, including the impacts to other highways, local
- 2531 highways, mobility, traffic flow, pedestrian and nonmotorized vehicle flow, the
- 2532 economy, public health, quality of life, air quality, maintenance, and operations.
- 2533 (iv) "Study area" means the area within Salt Lake City that is west of Foothill Drive,
- 2534 north of 2100 South, east of I-15, and south of 600 North.
- 2535 (b)(i) Except as described in Subsection (4)(c), a city may not implement or begin a
- 2536 project as part of a highway reduction strategy on a collector or arterial highway
- 2537 within the study area unless the project is part of a mobility plan approved by the
- 2538 department as described in this Subsection (4)(b).
- 2539 (ii) For a mobility plan described under Subsection (4)(b)(i), the city shall:
- 2540 (A) assess the alternate routes for traffic and impacts on surrounding roads due to
- 2541 any lane reduction;
- 2542 (B) evaluate impacts to vehicle trip time;
- 2543 (C) evaluate impacts to air quality;
- 2544 (D) evaluate the cumulative multimodal and safety impact of the proposed

- 2545 highway reduction strategies, including the cumulative impact from previous
2546 highway reduction strategies implemented over the previous five years;
2547 (E) provide options to mitigate negative impacts to vehicle traffic, vehicle trip
2548 time, air quality, or adjacent travel routes;
2549 (F) in collaboration with the department, assesses impacts to state roads;
2550 (G) proactively seek out and consult with relevant stakeholders, including
2551 business owners, commuters, and residents impacted by the mobility plan and
2552 each proposed project within the mobility plan;
2553 (H) present the plan in an open and public meeting, including public comment;
2554 (I) provide an open house or other event to allow public interaction and feedback
2555 regarding the impacts of the mobility plan;
2556 (J) present the plan to the membership of the city's chamber of commerce and
2557 other business groups; and
2558 (K) provide the plan to the department for the department's review.
2559 (iii)(A) After the department receives a complete mobility plan as described in
2560 Subsection (4)(b)(ii), the department shall determine if the mobility plan meets
2561 the requirements of this section and shall approve or reject the plan within two
2562 months of receiving the mobility plan.
2563 (B) As part of the mobility plan, the city shall demonstrate to the department the
2564 manners in which the city involved and received input from the business
2565 community, the public, and other stakeholders as required in Subsection
2566 (4)(b)(ii).
2567 (c) The city may begin or continue construction on a collector or arterial road related to
2568 any reduction strategy within the study area if the project has been advertised before
2569 March 7, 2025.
2570 (d) The department shall, in partnership with the city, conduct a mobility and
2571 environmental impact analysis to determine the impacts of highway reduction
2572 strategies within the study area that the city has implemented on or after July 1, 2015,
2573 or has plans to implement on or before July 1, 2035.
2574 (e) As part of the mobility and environmental impact analysis, the department shall:
2575 (i) assess the cumulative impact of each highway reduction strategy within the study
2576 area that the city has implemented or has plans to implement between July 1,
2577 2015, and July 1, 2035; and
2578 (ii) consult with relevant stakeholders, including business owners, commuters, and

residents impacted by the highway reduction strategy.

(f) A city subject to a mobility and environmental impact analysis under this Subsection (4) shall provide to the department any information the department determines necessary for conducting the mobility and environmental impact analysis, including any plans that city has adopted or discussed with regards to a highway reduction strategy.

(g)(i) The department shall provide the mobility and environmental impact analysis to the Transportation Interim Committee on or before October 15, 2025.

(ii) The city shall provide a response to the mobility and environmental impact analysis to the Transportation Interim Committee on or before November 1, 2025.

(h) As provided in Section 63I-1-272, this Subsection (4) is subject to a sunset review by the Transportation Interim Committee during 2027.

Section 20. Section **72-1-303** is amended to read:

72-1-303 (Effective 05/07/25). Duties of commission.

(1) The commission has the following duties:

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

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

(c) holding public meetings and otherwise providing for public input in transportation matters;

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

(e) in accordance with Section 63G-4-301, reviewing orders issued by the executive director in adjudicative proceedings held in accordance with Title 63G, Chapter 4, Administrative Procedures Act;

(f) advising the department on state transportation systems policy;

(g) approving settlement agreements of condemnation cases subject to Section 63G-10-401;

(h) in accordance with Section 17B-2a-807, appointing a commissioner to serve as a nonvoting member or a voting member on the board of trustees of a public transit

- 2613 district;
- 2614 (i) in accordance with Section 17B-2a-808, reviewing, at least annually, the short-term
- 2615 and long-range public transit plans;
- 2616 (j) determining the priorities and funding levels of public transit innovation grants, as
- 2617 defined in Section 72-2-401; and
- 2618 (k) reviewing administrative rules made, substantively amended, or repealed by the
- 2619 department.
- 2620 (2)(a) For projects prioritized with funding provided under Sections 72-2-124 and
- 2621 72-2-125, the commission shall annually report to~~[a committee designated by the~~
- 2622 ~~Legislative Management Committee]~~ the Transportation and Infrastructure
- 2623 Appropriations Subcommittee:
- 2624 (i) a prioritized list of the new transportation capacity projects in the state
- 2625 transportation system and the funding levels available for those projects; and
- 2626 (ii) the unfunded highway construction and maintenance needs within the state.
- 2627 (b) The ~~[committee designated by the Legislative Management Committee under~~
- 2628 ~~Subsection (2)(a)]~~ Transportation and Infrastructure Appropriations Subcommittee
- 2629 shall:
- 2630 (i) review the list reported by the Transportation Commission; and
- 2631 (ii) make a recommendation to the Legislature on:
- 2632 (A) the amount of additional funding to allocate to transportation; and
- 2633 (B) the source of revenue for the additional funding allocation under Subsection
- 2634 (2)(b)(ii)(A).
- 2635 (3) The commission shall review and may approve plans for the construction of a highway
- 2636 facility over sovereign lakebed lands in accordance with Chapter 6, Part 3, Approval of
- 2637 Highway Facilities on Sovereign Lands Act.
- 2638 (4) One or more associations representing airport operators or pilots in the state shall
- 2639 annually report to the commission recommended airport improvement projects and any
- 2640 other information related to the associations' expertise and relevant to the commission's
- 2641 duties.
- 2642 Section 21. Section **72-1-304** is amended to read:
- 2643 **72-1-304 (Effective 05/07/25). Written project prioritization process for new**
- 2644 **transportation capacity projects -- Rulemaking.**
- 2645 (1)(a) The Transportation Commission, in consultation with the department and the
- 2646 metropolitan planning organizations as defined in Section 72-1-208.5, shall develop a

2647 written prioritization process for the prioritization of:

- 2648 (i) new transportation capacity projects that are or will be part of the state highway
- 2649 system under Chapter 4, Part 1, State Highways;
- 2650 (ii) paved pedestrian or paved nonmotorized transportation projects described in
- 2651 Section 72-2-124;
- 2652 (iii) public transit projects that directly add capacity to the public transit systems
- 2653 within the state, not including facilities ancillary to the public transit system; and
- 2654 (iv) pedestrian or nonmotorized transportation projects that provide connection to a
- 2655 public transit system.

2656 (b)(i) A local government or public transit district may nominate a project for

2657 prioritization in accordance with the process established by the commission in rule.

- 2658 (ii) If a local government or public transit district nominates a project for
- 2659 prioritization by the commission, the local government or public transit district
- 2660 shall provide data and evidence to show that:
- 2661 (A) the project will advance the purposes and goals described in Section 72-1-211;
- 2662 (B) for a public transit project, the local government or public transit district has
- 2663 an ongoing funding source for operations and maintenance of the proposed
- 2664 development; and
- 2665 (C) the local government or public transit district will provide the percentage of
- 2666 the costs for the project as required by Subsection 72-2-124(4)(a)(viii) or [
- 2667 ~~72-2-124(9)(e)~~ 72-2-124(10)(e).

2668 (2) The following shall be included in the written prioritization process under Subsection

2669 (1):

- 2670 (a) a description of how the strategic initiatives of the department adopted under Section
- 2671 72-1-211 are advanced by the written prioritization process;
- 2672 (b) a definition of the type of projects to which the written prioritization process applies;
- 2673 (c) specification of a weighted criteria system that is used to rank proposed projects and
- 2674 how it will be used to determine which projects will be prioritized;
- 2675 (d) specification of the data that is necessary to apply the weighted ranking criteria; and
- 2676 (e) any other provisions the commission considers appropriate, which may include
- 2677 consideration of:
- 2678 (i) regional and statewide economic development impacts, including improved local
- 2679 access to:
- 2680 (A) employment;

- (B) educational facilities;
- (C) recreation;
- (D) commerce; and
- (E) residential areas, including moderate income housing as demonstrated in the local government's or public transit district's general plan pursuant to Section 10-9a-403 or 17-27a-403;

- (ii) the extent to which local land use plans relevant to a project support and accomplish the strategic initiatives adopted under Section 72-1-211; and
- (iii) any matching funds provided by a political subdivision or public transit district in addition to the percentage of costs required by Subsections 72-2-124(4)(a)(viii) and ~~72-2-124(9)(e)~~ 72-2-124(10)(e).

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

- (i) may give priority consideration to projects that are part of a transit-oriented development or transit-supportive development as defined in Section 17B-2a-802; and
- (ii) shall give priority consideration to projects that are within the boundaries of a housing and transit reinvestment zone created pursuant to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.

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

- (i) part of a transportation reinvestment zone created under Section 11-13-227 if:
 - (A) the state is a participant in the transportation reinvestment zone; or
 - (B) the commission finds that the transportation reinvestment zone provides a benefit to the state transportation system; or
- (ii) within the boundaries of a housing and transit reinvestment zone created pursuant to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.

(c) If the department receives a notice of prioritization for a municipality as described in Subsection 10-9a-408(5), or a notice of prioritization for a county as described in Subsection 17-27a-408(5), the commission may give priority consideration to transportation projects that are within the boundaries of the municipality or the unincorporated areas of the county until the department receives notification from the Housing and Community Development Division within the Department of Workforce Services that the municipality or county no longer qualifies for prioritization under this Subsection (3)(c).

(d) When prioritizing a transportation project described in Subsection (1)(a)(ii) or (iv), the commission may give priority consideration to projects that improve connectivity pursuant to Section 10-8-87.

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

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

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

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

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

Section 22. Section **72-1-305** is amended to read:

72-1-305 (Effective 05/07/25). Project selection using the written prioritization process -- Public comment -- Report.

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

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

(a) the written prioritization process;

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

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

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

- (4)(a) If the commission prioritizes a project over another project with a higher rank under the weighted criteria system, the commission shall identify the change and accept public comment at a meeting held under this section on the merits of prioritizing the project above higher ranked projects.
- (b) The commission shall make the reasons for the prioritization under Subsection (4)(a) publicly available.
- (5)(a) The executive director or the executive director's designee shall report annually to the governor and ~~[a committee designated by the Legislative Management Committee]~~ the Transportation Interim Committee no later than the last day of October:
- (i) the projects prioritized under this section during the year prior to the report; and
 - (ii) the status and progress of all projects prioritized under this section.
- (b) Annually, before any funds are programmed and allocated from the Transit Transportation Investment Fund created in Section 72-2-124 for each fiscal year, the executive director or the executive director's designee, along with the executive director of a large public transit district as described in Section 17B-2a-802, shall report to the governor and ~~[a committee designated by the Legislative Management Committee]~~ the Transportation Interim Committee no later than the last day of October:
- (i) the public transit projects prioritized under this section during the year prior to the report; and
 - (ii) the status and progress of all public transit projects prioritized under this section.
- (6) The department shall annually report to the Transportation Commission on the status of new capacity transportation projects, including projects that were funded by the Legislature in an appropriations act.

Section 23. Section **72-2-106** is amended to read:

72-2-106 (Effective 07/01/25). Appropriation and transfers from Transportation Fund.

- (1) On and after July 1, 1981, there is appropriated from the Transportation Fund to the use of the department an amount equal to two-elevenths of the taxes collected from the motor fuel tax and the special fuel tax, exclusive of the formula amount appropriated for class B and class C roads, to be used for highway rehabilitation.
- ~~[(2) For a fiscal year beginning on or after July 1, 2016, the Division of Finance shall annually transfer an amount equal to the amount of revenue generated by a tax imposed on motor and special fuel that is sold, used, or received for sale or used in this state at a~~

2783 rate of 1.8 cents per gallon to the Transportation Investment Fund of 2005 created by
2784 Section 72-2-124.]

2785 [(3)] (2) For a fiscal year beginning on or after July 1, 2019, the Division of Finance shall
2786 annually transfer to the Transportation Investment Fund of 2005 created by Section
2787 72-2-124 an amount that is equal to 35% of the amount of revenue generated in the
2788 current fiscal year by the portion of the tax imposed on motor and special fuel that is
2789 sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.

2790 [(4)] (3) For purposes of the calculation described in Subsection 59-12-103(7)(c), the
2791 Division of Finance shall notify the State Tax Commission of the amount of any transfer
2792 made under [~~Subsections (2) and (3)~~] Subsection (2).

2793 Section 24. Section **72-2-121** is amended to read:

2794 **72-2-121 (Effective upon governor's approval). County of the First Class**
2795 **Highway Projects Fund.**

2796 (1) There is created a special revenue fund within the Transportation Fund known as the
2797 "County of the First Class Highway Projects Fund."

2798 (2) The fund consists of money generated from the following revenue sources:

- 2799 (a) any voluntary contributions received for new construction, major renovations, and
2800 improvements to highways within a county of the first class;
- 2801 (b) the portion of the sales and use tax described in Subsection 59-12-2214(3)(b)
2802 deposited into or transferred to the fund;
- 2803 (c) the portion of the sales and use tax described in Section 59-12-2217 deposited into or
2804 transferred to the fund;
- 2805 (d) a portion of the local option highway construction and transportation corridor
2806 preservation fee imposed in a county of the first class under Section 41-1a-1222
2807 deposited into or transferred to the fund; and
- 2808 (e) the portion of the sales and use tax transferred into the fund as described in
2809 Subsections 59-12-2220(4)(a) and 59-12-2220(11)(b).

2810 (3)(a) The fund shall earn interest.

2811 (b) All interest earned on fund money shall be deposited into the fund.

2812 (4) Subject to Subsection (11), the executive director shall use the fund money only:

- 2813 (a) to pay debt service and bond issuance costs for bonds issued under Sections
2814 63B-16-102, 63B-18-402, and 63B-27-102;
- 2815 (b) for right-of-way acquisition, new construction, major renovations, and improvements
2816 to highways within a county of the first class and to pay any debt service and bond

- 2817 issuance costs related to those projects, including improvements to a highway located
2818 within a municipality in a county of the first class where the municipality is located
2819 within the boundaries of more than a single county;
- 2820 (c) for the construction, acquisition, use, maintenance, or operation of:
- 2821 (i) an active transportation facility for nonmotorized vehicles;
- 2822 (ii) multimodal transportation that connects an origin with a destination; or
- 2823 (iii) a facility that may include a:
- 2824 (A) pedestrian or nonmotorized vehicle trail;
- 2825 (B) nonmotorized vehicle storage facility;
- 2826 (C) pedestrian or vehicle bridge; or
- 2827 (D) vehicle parking lot or parking structure;
- 2828 (d) to transfer to the 2010 Salt Lake County Revenue Bond Sinking Fund created by
2829 Section 72-2-121.3 the amount required in Subsection 72-2-121.3(4)(c) minus the
2830 amounts transferred in accordance with Subsection [~~72-2-124(4)(a)(iv)~~]
2831 72-2-124(4)(a)(v);
- 2832 (e) for a fiscal year beginning on or after July 1, 2013, to pay debt service and bond
2833 issuance costs for \$30,000,000 of the bonds issued under Section 63B-18-401 for the
2834 projects described in Subsection 63B-18-401(4)(a);
- 2835 (f) for a fiscal year beginning on or after July 1, 2013, and after the department has
2836 verified that the amount required under Subsection 72-2-121.3(4)(c) is available in
2837 the fund, to transfer an amount equal to 50% of the revenue generated by the local
2838 option highway construction and transportation corridor preservation fee imposed
2839 under Section 41-1a-1222 in a county of the first class:
- 2840 (i) to the legislative body of a county of the first class; and
- 2841 (ii) to be used by a county of the first class for:
- 2842 (A) highway construction, reconstruction, or maintenance projects; or
- 2843 (B) the enforcement of state motor vehicle and traffic laws;
- 2844 (g) for a fiscal year beginning on or after July 1, 2015, after the department has verified
2845 that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund
2846 and the transfer under Subsection (4)(e) has been made, to annually transfer an
2847 amount of the sales and use tax revenue imposed in a county of the first class and
2848 deposited into the fund in accordance with Subsection 59-12-2214(3)(b) equal to an
2849 amount needed to cover the debt to:
- 2850 (i) the appropriate debt service or sinking fund for the repayment of bonds issued

2851 under Section 63B-27-102; and
2852 (ii) the appropriate debt service or sinking fund for the repayment of bonds issued
2853 under Sections 63B-31-102 and 63B-31-103;
2854 (h) after the department has verified that the amount required under Subsection
2855 72-2-121.3(4)(c) is available in the fund and after the transfer under Subsection
2856 (4)(d), the payment under Subsection (4)(e), and the transfer under Subsection
2857 (4)(g)(i) has been made, to annually transfer \$2,000,000 to a public transit district in
2858 a county of the first class to fund a system for public transit;
2859 (i) for a fiscal year beginning on or after July 1, 2018, after the department has verified
2860 that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund
2861 and after the transfer under Subsection (4)(d), the payment under Subsection (4)(e),
2862 and the transfer under Subsection (4)(g)(i) has been made, to annually transfer 20%
2863 of the amount deposited into the fund under Subsection (2)(b):
2864 (i) to the legislative body of a county of the first class; and
2865 (ii) to fund parking facilities in a county of the first class that facilitate significant
2866 economic development and recreation and tourism within the state;
2867 (j) subject to Subsection (5), for a fiscal year beginning on or after July 1, 2021, and for
2868 15 years thereafter, to annually transfer the following amounts to the following cities
2869 and the county of the first class for priority projects to mitigate congestion and
2870 improve transportation safety:
2871 (i) \$2,000,000 to Sandy;
2872 (ii) \$2,300,000 to Taylorsville;
2873 (iii) \$1,100,000 to Salt Lake City;
2874 (iv) \$1,100,000 to West Jordan;
2875 (v) \$1,100,000 to West Valley City;
2876 (vi) \$800,000 to Herriman;
2877 (vii) \$700,000 to Draper;
2878 (viii) \$700,000 to Riverton;
2879 (ix) \$700,000 to South Jordan;
2880 (x) \$500,000 to Bluffdale;
2881 (xi) \$500,000 to Midvale;
2882 (xii) \$500,000 to Millcreek;
2883 (xiii) \$500,000 to Murray;
2884 (xiv) \$400,000 to Cottonwood Heights; and

2885 (xv) \$300,000 to Holladay; and
2886 (k) for the 2024-25 and 2025-26 fiscal years, and subject to revenue balances after the
2887 distributions under Subsection (4)(j), to reimburse the following municipalities for
2888 the amounts and projects indicated, as each project progresses and as revenue
2889 balances allow:
2890 (i) \$3,200,000 to South Jordan for improvements to Bingham Rim Road from
2891 Grandville Avenue to Mountain View Corridor;
2892 (ii) \$1,960,000 to Midvale for improvements to Center Street between State Street
2893 and 700 West;
2894 (iii) \$3,500,000 to Salt Lake City for first and last mile public transit improvements
2895 throughout Salt Lake City;
2896 (iv) \$1,500,000 to Cottonwood Heights for improvements to Fort Union Boulevard
2897 and 2300 East;
2898 (v) \$3,450,000 to Draper for improvements to Bangerter Highway between 13800
2899 South and I-15;
2900 (vi) \$10,500,000 to Herriman to construct a road between U-111 and 13200 South;
2901 (vii) \$3,000,000 to West Jordan for improvements to 1300 West;
2902 (viii) \$1,050,000 to Riverton for improvements to the Welby Jacob Canal trail
2903 between 11800 South and 13800 South;
2904 (ix) \$3,500,000 to Taylorsville for improvements to Bangerter Highway and 4700
2905 South;
2906 (x) \$470,000 to the department for construction of a sound wall on Bangerter
2907 Highway at approximately 11200 South;
2908 (xi) \$1,250,000 to Murray for improvements to Murray Boulevard between 4800
2909 South and 5300 South;
2910 [~~(xii)~~ \$1,450,000 to West Valley for construction of a road connecting 5400 South to
2911 U-111;]
2912 [~~(xiii)~~] (xii) \$1,840,000 to Magna for construction and improvements to 8400 West
2913 and 4100 South;
2914 [~~(xiv)~~] (xiii) \$1,000,000 to South Jordan for construction of arterial roads connecting
2915 U-111 and Old Bingham Highway;
2916 [~~(xv)~~] (xiv) \$1,200,000 to Millcreek for reconstruction of and improvements to 2000
2917 East between 3300 South and Atkin Avenue;
2918 [~~(xvi)~~] (xv) \$1,230,000 to Holladay for improvements to Highland Drive between

2919 Van Winkle Expressway and Arbor Lane;
2920 [~~(xvii)~~] (xvi) [~~\$1,800,000~~] \$3,250,000 to West Valley City for improvements to 4000
2921 West between 4100 South and 4700 South and improvements to 4700 South from
2922 4000 West to Bangerter Highway; and
2923 [~~(xviii)~~] (xvii) \$1,000,000 to Taylorsville for improvements to 4700 South at the I-215
2924 interchange.

2925 (5)(a) If revenue in the fund is insufficient to satisfy all of the transfers described in
2926 Subsection (4)(j), the executive director shall proportionately reduce the amounts
2927 transferred as described in Subsection (4)(j).

2928 (b) A local government may not use revenue described in Subsection (4)(j) to supplant
2929 existing class B or class C road funds that a local government has budgeted for
2930 transportation projects.

2931 (6) The revenues described in Subsections (2)(b), (c), and (d) that are deposited into the
2932 fund and bond proceeds from bonds issued under Sections 63B-16-102, 63B-18-402,
2933 and 63B-27-102 are considered a local matching contribution for the purposes described
2934 under Section 72-2-123.

2935 (7) The department may expend up to \$3,000,000 of revenue deposited into the account as
2936 described in Subsection 59-12-2220(11)(b) for public transit innovation grants, as
2937 provided in Part [3] 4, Public Transit Innovation Grants.

2938 (8) The additional administrative costs of the department to administer this fund shall be
2939 paid from money in the fund.

2940 (9) Subject to Subsection (11), and notwithstanding any statutory or other restrictions on
2941 the use or expenditure of the revenue sources deposited into this fund, the Department of
2942 Transportation may use the money in this fund for any of the purposes detailed in
2943 Subsection (4).

2944 (10) Subject to Subsection (11), any revenue deposited into the fund as described in
2945 Subsection (2)(e) shall be used to provide funding or loans for public transit projects,
2946 operations, and supporting infrastructure in the county of the first class.

2947 (11) For the first three years after a county of the first class imposes a sales and use tax
2948 authorized in Section 59-12-2220, revenue deposited into the fund as described in
2949 Subsection (2)(e) shall be allocated as follows:

2950 (a) 10% to the department to construct an express bus facility on 5600 West; and
2951 (b) 90% into the County of the First Class Infrastructure Bank Fund created in Section
2952 72-2-302.

Section 25. Section **72-2-121.3** is amended to read:

72-2-121.3 (Effective 05/07/25). Special revenue fund -- 2010 Salt Lake County Revenue Bond Sinking Fund.

- (1) There is created a special revenue fund within the County of the First Class Highway Projects Fund entitled "2010 Salt Lake County Revenue Bond Sinking Fund."
- (2) The fund consists of:
 - (a) money transferred into the fund from the County of the First Class Highway Projects Fund in accordance with Subsection 72-2-121(4)(d); and
 - (b) for a fiscal year beginning on or after July 1, 2013, money transferred into the fund from the Transportation Investment Fund of 2005 in accordance with Subsection [~~72-2-124(4)(a)(iv)~~] 72-2-124(4)(a)(v).
- (3)(a) The fund shall earn interest.
- (b) All interest earned on fund money shall be deposited into the fund.
- (4)(a) The director of the Division of Finance may use fund money only as provided in this section.
- (b) The director of the Division of Finance may not distribute any money from the fund under this section until the director has received a formal opinion from the attorney general that Salt Lake County has entered into a binding agreement with the state of Utah containing all of the terms required by Section 72-2-121.4.
- (c) Except as provided in Subsection (4)(b), and until the bonds issued by Salt Lake County as provided in the interlocal agreement required by Section 72-2-121.4 are paid off, on July 1 of each year beginning July 1, 2011, the director of the Division of Finance shall transfer from the County of the First Class Highway Projects Fund and the Transportation Investment Fund of 2005 to the 2010 Salt Lake County Revenue Bond Sinking Fund the amount certified by Salt Lake County that is necessary to pay:
 - (i) up to two times the debt service requirement necessary to pay debt service on the revenue bonds issued by Salt Lake County for that fiscal year; and
 - (ii) any additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
- (d) Except as provided in Subsection (4)(b), and until the bonds issued by Salt Lake County as provided in the interlocal agreement required by Section 72-2-121.4 are paid off, the director of the Division of Finance shall, upon request from Salt Lake County, transfer to Salt Lake County or its designee from the 2010 Salt Lake County Revenue Bond Sinking Fund the amount certified by Salt Lake County as necessary

2987 to pay:

2988 (i) the debt service on the revenue bonds issued by Salt Lake County as provided in
2989 the interlocal agreement required by Section 72-2-121.4; and

2990 (ii) any additional amounts necessary to pay costs of issuance, pay capitalized
2991 interest, and fund any debt service reserve requirements.

2992 (5) Any money remaining in the 2010 Salt Lake County Revenue Bond Sinking Fund at the
2993 end of the fiscal year lapses to the County of the First Class Highway Projects Fund.

2994 Section 26. Section **72-2-123** is amended to read:

2995 **72-2-123 (Effective 05/07/25). Rules adopting guidelines -- Partnering to finance**
2996 **state highway capacity improvements -- Partnering proposals.**

2997 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2998 commission, in consultation with representatives of local government, shall make rules
2999 adopting guidelines for partnering with counties and municipalities for their help to
3000 finance state highway improvement projects through:

3001 (a) local matching dollars;

3002 (b) agreements regarding new revenue a county or municipality expects will be
3003 generated as a result of the construction of a state highway improvement project; or

3004 (c) other local participation methods.

3005 (2) The guidelines described in Subsection (1) shall encourage partnering to help finance
3006 state highway improvement projects and provide for:

3007 (a) the consideration of factors relevant to a decision to make a program adjustment
3008 including the potential to:

3009 (i) extend department resources to other needed projects;

3010 (ii) alleviate significant existing or future congestion or hazards to the traveling
3011 public; and

3012 (iii) address a need that is widely recognized by the public, elected officials, and
3013 transportation planners;

3014 (b) a process for submitting, evaluating, and hearing partnering proposals; and

3015 (c) the creation of a public record of each proposal from initial submission to final
3016 disposition.

3017 (3) The commission shall submit the proposed rules under this section to [~~a committee or~~
3018 ~~task force designated by the Legislative Management Committee~~] the Transportation
3019 Interim Committee for review prior to taking final action on the proposed rules or any
3020 proposed amendment to the rules.

Section 27. Section **72-2-124** is amended to read:

72-2-124 (Effective 05/07/25). 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) subject to Subsection (9), costs of corridor preservation, as that term is defined in Section 72-5-401;
 - ~~[(iii)]~~ (iv) 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)(e);
 - ~~[(iv)]~~ (v) 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)]~~ (vi) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101 for projects prioritized in accordance with Section 72-2-125;

- 3055 [~~(vi) all highway general obligation bonds that are intended to be paid from revenues~~
3056 ~~in the Centennial Highway Fund created by Section 72-2-118;~~]
- 3057 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First
3058 Class Highway Projects Fund created in Section 72-2-121 to be used for the
3059 purposes described in Section 72-2-121;
- 3060 (viii) if a political subdivision provides a contribution equal to or greater than 40% of
3061 the costs needed for construction, reconstruction, or renovation of paved
3062 pedestrian or paved nonmotorized transportation for projects that:
3063 (A) mitigate traffic congestion on the state highway system;
3064 (B) are part of an active transportation plan approved by the department; and
3065 (C) are prioritized by the commission through the prioritization process for new
3066 transportation capacity projects adopted under Section 72-1-304;
- 3067 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction,
3068 reconstruction, or renovation of or improvement to the following projects:
3069 (A) the connector road between Main Street and 1600 North in the city of
3070 Vineyard;
3071 (B) Geneva Road from University Parkway to 1800 South;
3072 (C) the SR-97 interchange at 5600 South on I-15;
3073 (D) subject to Subsection (4)(c), two lanes on U-111 from Herriman Parkway to
3074 South Jordan Parkway;
3075 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
3076 (F) improvements to 1600 North in Orem from 1200 West to State Street;
3077 (G) widening I-15 between mileposts 6 and 8;
3078 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
3079 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197
3080 in Spanish Fork Canyon;
3081 (J) I-15 northbound between mileposts 43 and 56;
3082 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts
3083 43 and 45.1;
3084 (L) east Zion SR-9 improvements;
3085 (M) Toquerville Parkway;
3086 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
3087 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds,
3088 for construction of an interchange on Bangarter Highway at 13400 South; and

(P) an environmental impact study for Kimball Junction in Summit County;[~~and~~]

(x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project costs based upon a statement of cash flow that the local jurisdiction where the project is located provides to the department demonstrating the need for money for the project, for the following projects in the following amounts:

(A) \$5,000,000 for Payson Main Street repair and replacement;

(B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;

(C) \$5,000,000 for improvements to 4700 South in Taylorsville; and

(D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S. 40 between mile markers 7 and 10[-] ; and

(xi) for a fiscal year beginning on July 1, 2025, only, as pass-through funds from revenue deposited into the fund in accordance with Section 59-12-103, for the following projects:

(A) \$3,000,000 to Salem for an environmental impact study for the I-15 Salem and Benjamin project; and

(B) \$2,000,000 to Kane County for the Coral Pink Sand Dunes Road project.

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

(c)(i) Construction related to the project described in Subsection (4)(a)(ix)(D) may not commence until a right-of-way not owned by a federal agency that is required for the realignment and extension of U-111, as described in the department's 2023 environmental study related to the project, is dedicated to the department.

(ii) Notwithstanding Subsection (4)(c)(i), if a right-of-way is not dedicated for the project as described in Subsection (4)(c)(i) on or before October 1, 2024, the department may proceed with the project, except that the project will be limited to two lanes on U-111 from Herriman Parkway to 11800 South.

(5)(a) Except as provided in Subsection (5)(b), if the department receives a notice of ineligibility for a municipality as described in Subsection 10-9a-408(7), the executive director may not 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 municipality until the department receives notification from the Housing and Community Development Division within the Department of Workforce Services that ineligibility under this Subsection (5) no longer applies to the municipality.

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

- (i) may program fund money in accordance with Subsection (4)(a) for a limited-access facility or interchange connecting limited-access facilities;
- (ii) may not program fund money for the construction, reconstruction, or renovation of an interchange on a limited-access facility;
- (iii) may program Transit Transportation Investment Fund money for a multi-community fixed guideway public transportation project; and
- (iv) may not 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, 2022, for projects prioritized by the commission under Section 72-1-304.

(6)(a) Except as provided in Subsection (6)(b), if the department receives a notice of ineligibility for a county as described in Subsection 17-27a-408(7), the executive director may not 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 the county until the department receives notification from the Housing and Community Development Division within the Department of Workforce Services that ineligibility under this Subsection (6) no longer applies to the county.

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

- (i) may 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 program fund money for the construction, reconstruction, or renovation of an interchange on a limited-access facility;
- (iii) may program Transit Transportation Investment Fund money for a multi-community fixed guideway public transportation project; and
- (iv) may not 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.

3157 (c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive
3158 director before July 1, 2022, for projects prioritized by the commission under Section
3159 72-1-304.

3160 (7)(a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued in
3161 any fiscal year, the department and the commission shall appear before the Executive
3162 Appropriations Committee of the Legislature and present the amount of bond
3163 proceeds that the department needs to provide funding for the projects identified in
3164 Subsections 63B-18-401(2), (3), and (4) or Subsection 63B-27-101(2) for the current
3165 or next fiscal year.

3166 (b) The Executive Appropriations Committee of the Legislature shall review and
3167 comment on the amount of bond proceeds needed to fund the projects.

3168 (8) The Division of Finance shall, from money deposited into the fund, transfer the amount
3169 of funds necessary to pay principal, interest, and issuance costs of bonds authorized by
3170 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt
3171 service or sinking fund.

3172 (9) The executive director may only use money in the fund for corridor preservation as
3173 described in Subsection (4)(a)(iii):

3174 (a) if the project has been prioritized by the commission, including the use of fund
3175 money for corridor preservation; or

3176 (b) for a project that has not been prioritized by the commission, if the commission:

3177 (i) approves the use of fund money for the corridor preservation; and

3178 (ii) finds that the use of fund money for corridor preservation will not result in any
3179 delay to a project that has been prioritized by the commission.

3180 ~~[(9)]~~ (10)(a) There is created in the Transportation Investment Fund of 2005 the Transit
3181 Transportation Investment Fund.

3182 (b) The fund shall be funded by:

3183 (i) contributions deposited into the fund in accordance with Section 59-12-103;

3184 (ii) appropriations into the account by the Legislature;

3185 (iii) deposits of sales and use tax increment related to a housing and transit
3186 reinvestment zone as described in Section 63N-3-610;

3187 (iv) transfers of local option sales and use tax revenue as described in Subsection
3188 59-12-2220(11)(b) or (c);

3189 (v) private contributions; and

3190 (vi) donations or grants from public or private entities.

- 3191 (c)(i) The fund shall earn interest.
- 3192 (ii) All interest earned on fund money shall be deposited into the fund.
- 3193 (d) Subject to Subsection [~~(9)(e)~~] (10)(e), the commission may prioritize money from the
- 3194 fund:
- 3195 (i) for public transit capital development of new capacity projects and fixed guideway
- 3196 capital development projects to be used as prioritized by the commission through
- 3197 the prioritization process adopted under Section 72-1-304;
- 3198 (ii) to the department for oversight of a fixed guideway capital development project
- 3199 for which the department has responsibility; or
- 3200 (iii) up to \$500,000 per year, to be used for a public transit study.
- 3201 (e)(i) Subject to Subsections [~~(9)(g)~~] (10)(g), (h), and (i), the commission may only
- 3202 prioritize money from the fund for a public transit capital development project or
- 3203 pedestrian or nonmotorized transportation project that provides connection to the
- 3204 public transit system if the public transit district or political subdivision provides
- 3205 funds of equal to or greater than 30% of the costs needed for the project.
- 3206 (ii) A public transit district or political subdivision may use money derived from a
- 3207 loan granted pursuant to~~[Title 72, Chapter 2,]~~ Part 2, State Infrastructure Bank
- 3208 Fund, to provide all or part of the 30% requirement described in Subsection [
- 3209 ~~(9)(e)(i)~~] (10)(e)(i) if:
- 3210 (A) the loan is approved by the commission as required in~~[Title 72, Chapter 2,]~~
- 3211 Part 2, State Infrastructure Bank Fund; and
- 3212 (B) the proposed capital project has been prioritized by the commission pursuant
- 3213 to Section 72-1-303.
- 3214 (f) Before July 1, 2022, the department and a large public transit district shall enter into
- 3215 an agreement for a large public transit district to pay the department \$5,000,000 per
- 3216 year for 15 years to be used to facilitate the purchase of zero emissions or low
- 3217 emissions rail engines and trainsets for regional public transit rail systems.
- 3218 (g) For any revenue transferred into the fund pursuant to Subsection 59-12-2220(11)(b):
- 3219 (i) the commission may prioritize money from the fund for public transit projects,
- 3220 operations, or maintenance within the county of the first class; and
- 3221 (ii) Subsection [~~(9)(e)~~] (10)(e) does not apply.
- 3222 (h) For any revenue transferred into the fund pursuant to Subsection 59-12-2220(11)(c):
- 3223 (i) the commission may prioritize public transit projects, operations, or maintenance
- 3224 in the county from which the revenue was generated; and

- 3225 (ii) Subsection ~~[(9)(e)]~~ (10)(e) does not apply.
- 3226 (i) The requirement to provide funds equal to or greater than 30% of the costs needed for
- 3227 the project described in Subsection ~~[(9)(e)]~~ (10)(e) does not apply to a public transit
- 3228 capital development project or pedestrian or nonmotorized transportation project that
- 3229 the department proposes.
- 3230 (j) In accordance with Part [3] 4, Public Transit Innovation Grants, the commission may
- 3231 prioritize money from the fund for public transit innovation grants, as defined in
- 3232 Section 72-2-401, for public transit capital development projects requested by a
- 3233 political subdivision within a public transit district.
- 3234 ~~[(40)]~~ (11)(a) There is created in the Transportation Investment Fund of 2005 the
- 3235 Cottonwood Canyons Transportation Investment Fund.
- 3236 (b) The fund shall be funded by:
- 3237 (i) money deposited into the fund in accordance with Section 59-12-103;
- 3238 (ii) appropriations into the account by the Legislature;
- 3239 (iii) private contributions; and
- 3240 (iv) donations or grants from public or private entities.
- 3241 (c)(i) The fund shall earn interest.
- 3242 (ii) All interest earned on fund money shall be deposited into the fund.
- 3243 (d) The Legislature may appropriate money from the fund for public transit or
- 3244 transportation projects in the Cottonwood Canyons of Salt Lake County.
- 3245 (e) The department may use up to 2% of the revenue deposited into the account under
- 3246 Subsection 59-12-103(7)(b) to contract with local governments as necessary for
- 3247 public safety enforcement related to the Cottonwood Canyons of Salt Lake County.
- 3248 ~~[(11)]~~ (12)(a) There is created in the Transportation Investment Fund of 2005 the Active
- 3249 Transportation Investment Fund.
- 3250 (b) The fund shall be funded by:
- 3251 (i) money deposited into the fund in accordance with Section 59-12-103;
- 3252 (ii) appropriations into the account by the Legislature; and
- 3253 (iii) donations or grants from public or private entities.
- 3254 (c)(i) The fund shall earn interest.
- 3255 (ii) All interest earned on fund money shall be deposited into the fund.
- 3256 (d) The executive director may only use fund money to pay the costs needed for:
- 3257 (i) the planning, design, construction, maintenance, reconstruction, or renovation of
- 3258 paved pedestrian or paved nonmotorized trail projects that:

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

(B) serve a regional purpose; and

(C) are part of an active transportation plan approved by the department or the plan described in Subsection ~~[(11)(d)(ii)]~~ (12)(d)(ii);

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

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

~~[(12)]~~ (13)(a) As used in this Subsection ~~[(12)]~~ (13), "commuter rail" means the same as that term is defined in Section 63N-3-602.

(b) There is created in the Transit Transportation Investment Fund the Commuter Rail Subaccount.

(c) The subaccount shall be funded by:

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

(ii) appropriations into the subaccount by the Legislature;

(iii) private contributions; and

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

(d)(i) The subaccount shall earn interest.

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

(e) As prioritized by the commission through the prioritization process adopted under Section 72-1-304 or as directed by the Legislature, the department may only use money from the subaccount for projects that improve the state's commuter rail infrastructure, including the building or improvement of grade-separated crossings between commuter rail lines and public highways.

(f) Appropriations made in accordance with this section are nonlapsing in accordance with Section 63J-1-602.1.

Section 28. Section **72-2-303** is amended to read:

72-2-303 (Effective 05/07/25). Loans and assistance -- Authority -- Rulemaking.

(1) Money in the fund may be used by the department, as prioritized by the commission or as directed by the Legislature, to make infrastructure loans or to provide infrastructure assistance to any public entity for any purpose consistent with any applicable constitutional limitation.

(2) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

commission shall make rules providing procedures and standards for making infrastructure loans and providing infrastructure assistance and a process for prioritization of requests for loans and assistance.

- (3) The prioritization process, procedures, and standards for making an infrastructure loan or providing infrastructure assistance may include consideration of the following:
- (a) availability of money in the fund;
 - (b) credit worthiness of the project;
 - (c) demonstration that the project will encourage, enhance, or create economic benefits to the state or political subdivision;
 - (d) likelihood that assistance would enable the project to proceed at an earlier date than would otherwise be possible;
 - (e) the extent to which assistance would foster innovative public-private partnerships and attract private debt or equity investment;
 - (f) demonstration that the project provides a benefit to the state highway system, including safety or mobility improvements;
 - (g) the amount of proposed assistance as a percentage of the overall project costs with emphasis on local and private participation;
 - (h) demonstration that the project provides intermodal connectivity with public transportation, pedestrian, or nonmotorized transportation facilities;[~~and~~]
 - (i) improvement of transportation connectivity pursuant to Section 10-8-87; and
 - [~~(i)~~] (j) other provisions the commission considers appropriate.

Section 29. Section **72-2-401** is amended to read:

72-2-401 (Effective 05/07/25). Definitions.

As used in this part:

- (1) "Council of governments" means the same as that term is defined in Section 17B-2a-802.
- (2) "Grant" means a public transit innovation grant.
- (3) "High growth area" means an area or municipality within a public transit district that:
 - (a) has significantly higher population increase relative to other areas within the county;
 - and
 - (b) is projected to continue to have significant population growth.
- (4) "Public transit district" means the same as that term is defined in Section 17B-2a-802.
- (5)(a) "Public transit innovation grant" means a grant awarded on or after July 1, 2026, to provide targeted pilot programs to:
 - (i) increase public transit ridership;

- 3327 (ii) increase public transit service in high growth areas within the public transit
3328 district; and
3329 (iii) work toward expanding public transit services.
3330 (b) "Public transit innovation grant" includes a grant to provide:
3331 (i) pilot bus routes and services in high growth areas;
3332 (ii) pilot shuttle connections between fixed guideway stations and job centers,
3333 recreation and cultural facilities and attractions, or schools; and
3334 (iii) other pilot programs similar to those described in Subsections (5)(b)(i) and (ii) as
3335 coordinated between the public transit district and political subdivisions within the
3336 public transit district.

3337 Section 30. Section **72-2-402** is amended to read:

3338 **72-2-402 (Effective 05/07/25). Public transit innovation grant funding sources.**

- 3339 (1) In accordance with Section 72-2-403, the commission, in coordination with the
3340 department, may rank, prioritize, and provide public transit innovation grants with
3341 money derived from the following sources:
3342 (a) certain local option sales and use tax revenue as described in Subsection 59-12-2219
3343 (11)(b); and
3344 (b) revenue deposited in accordance with Subsection 59-12-2220(11) into the County of
3345 the First Class Highway Projects Fund created in Section 72-2-121.
3346 (2) In accordance with Section 72-2-124, the department may rank and prioritize public
3347 transit innovation grants for capital development to the commission, to be funded with
3348 money derived from the Transit Transportation Investment Fund as described in
3349 Subsection [~~72-2-124(9)~~] 72-2-124(10).
3350 (3) Administrative costs of the department to administer public transit innovation grants
3351 under this part shall be paid from the funds described in Subsection (1)(a).

3352 Section 31. Section **72-2-403** is amended to read:

3353 **72-2-403 (Effective 05/07/25). Public transit innovation grants -- Administration.**

- 3354 (1) The commission, in consultation with the department, relevant councils of governments,
3355 metropolitan planning organizations, and public transit districts, shall develop a process
3356 for the prioritization of grant proposals that includes:
3357 (a) instructions on making and submitting a grant proposal;
3358 (b) methodology for selecting grants; and
3359 (c) methodology for awarding grants.
3360 (2) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

commission shall make rules to establish the process described in Subsection (1) and as otherwise necessary to implement this part.

(3) ~~[The department shall]~~ On or after July 1, 2026, the department may:

- (a) accept grant applications;
- (b) rank grant proposals based on the objectives and criteria established in this part; and
- (c) provide money to grant recipients as directed by the commission and in accordance with this part.

(4) A municipality or a group of municipalities may submit a grant proposal to the department.

(5)(a) A public transit innovation grant proposal shall include data, evidence, and information about:

- (i) how the project will advance the purposes and goals of a public transit innovation grant described in Subsection 72-2-401(5);
- (ii) how the proposed services will provide a direct public transit service benefit to the municipality or area;
- (iii) the proposed mode of public transit or purpose for the funding;
- (iv) the proposed operator of the service, including qualifications for any proposed operator that is not a public transit district;
- (v) any funds provided by the municipality or group of municipalities as part of the grant proposal;
- (vi) how the pilot service will improve ridership in the municipality or area; and
- (vii) any other information that the municipality or public transit district finds relevant.

(b) A public transit innovation grant proposal may propose a term of up to three years.

(c) A public transit innovation grant proposal shall include information regarding integration and coordination with existing public transit services.

(6) In considering a public transit innovation grant proposal, the commission shall consider criteria including:

- (a) population growth within the municipality or area relative to other municipalities or areas within the same county;
- (b) how the proposal furthers the following objectives:
 - (i) increasing public transit ridership in the area;
 - (ii) improving connectivity for the first and last mile relative to other public transit services; and

(iii) improving public transit connectivity in high-growth areas within the public transit district; and

(c) any funds proposed to be invested by the municipality or public transit district as part of the grant proposal.

(7) The grant proposal may allow for bids for a vendor or public transit district to provide or operate the proposed services.

(8) Subject to available funding described in Subsection 72-2-402(1), the commission may award a public transit innovation grant to a recipient that the commission determines furthers the objectives described in Subsections (5) and (6).

(9)(a) Subject to Subsection (9)(b), if the commission approves a grant to provide money from a local option sales and use tax described in Subsection 59-12-2219(11), a public transit district shall transfer the money to the department, and the department shall transfer the money to the grant recipient.

(b) A public transit district may offset money from a local option sales and use tax described in Subsection 59-12-2219(11) with other funds available to the public transit district.

(10) If the commission approves a grant to provide money as provided in Subsection 72-2-121(7), the department shall transfer the money to the grant recipient.

(11) Any grant funds, assets, or infrastructure acquired or improved through a public transit innovation grant under this part belong to the grant recipient.

Section 32. Section **72-3-109** is amended to read:

72-3-109 (Effective 05/07/25). Division of responsibility with respect to state highways in cities and towns.

(1) Except as provided in Subsection (3), the jurisdiction and responsibility of the department and the municipalities for state highways within municipalities is as follows:

(a) The department has jurisdiction over and is responsible for the construction and maintenance of:

(i) the portion of the state highway located between the back of the curb on either side of the state highway; or

(ii) if there is no curb, the traveled way, its contiguous shoulders, and appurtenances.

(b) The department may widen or improve state highways within municipalities.

(c)(i) A municipality has jurisdiction over all other portions of the right-of-way and is responsible for construction and maintenance of the right-of-way.

(ii) If a municipality grants permission for the installation of any pole, pipeline,

conduit, sewer, ditch, culvert, billboard, advertising sign, or any other structure or object of any kind or character within the portion of the right-of-way under its jurisdiction:

(A) the permission shall contain the condition that any installation will be removed from the right-of-way at the request of the municipality; and

(B) the municipality shall cause any installation to be removed at the request of the department when the department finds the removal necessary:

(I) to eliminate a hazard to traffic safety;

(II) for the construction and maintenance of the state highway; or

(III) to meet the requirements of federal regulations.

(iii) Except as provided in Subsection (1)(h), a municipality may not install or grant permission for the installation of any pole, pipeline, conduit, sewer, ditch, culvert, billboard, advertising sign, or any other structure or object of any kind or character within the portion of the state highway right-of-way under its jurisdiction without the prior written approval of the department.

(iv) The department may, by written agreement with a municipality, waive the requirement of its approval under Subsection (1)(c)(iii) for certain types and categories of installations.

(d) If it is necessary that a utility, as defined in Section 72-6-116, be relocated, reimbursement shall be made for the relocation as provided for in Section 72-6-116.

(e)(i) The department shall construct curbs, gutters, and sidewalks on the state highways if necessary for the proper control of traffic, driveway entrances, or drainage.

(ii) If a state highway is widened or altered and existing curbs, gutters, or sidewalks are removed, the department shall replace the curbs, gutters, or sidewalks.

(f)(i) ~~The department may furnish and install street lighting systems for state highways[, but their operation and maintenance is the responsibility of the municipality].~~

(ii) (ii) The municipality is responsible for the operation and maintenance of a street lighting system furnished and installed by the department, except that the department shall operate and maintain street lighting that the department furnishes and installs:

(A) along an interstate highway; or

(B) at a signalized intersection that includes a state highway.

3463 (iii) Notwithstanding Subsection (1)(f)(ii)(B), the municipality is responsible for the
3464 installation costs, operation, and maintenance of decorative lighting installed at
3465 the request of a municipality.

3466 (g) If new storm sewer facilities are necessary in the construction and maintenance of
3467 the state highways, the cost of the storm sewer facilities shall be borne by the state
3468 and the municipality in a proportion mutually agreed upon between the department
3469 and the municipality.

3470 (h)(i) For a portion of a state highway right-of-way for which a municipality has
3471 jurisdiction, and upon request of the municipality, the department shall grant
3472 permission for the municipality to issue permits within the state highway
3473 right-of-way, provided that:

3474 (A) the municipality gives the department seven calendar days to review and
3475 provide comments on the permit; and

3476 (B) upon the request of the department, the municipality incorporates changes to
3477 the permit as jointly agreed upon by the municipality and the department.

3478 (ii) If the department fails to provide a response as described in Subsection (1)(h)(i)
3479 within seven calendar days, the municipality may issue the permit.

3480 (2)(a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
3481 the department shall make rules governing the location and construction of approach
3482 roads and driveways entering the state highway. The rules shall:

3483 (i) include criteria for the design, location, and spacing of approach roads and
3484 driveways based on the functional classification of the adjacent highway,
3485 including the urban or rural nature of the area;

3486 (ii) be consistent with the "Manual on Uniform Traffic Control Devices" and the
3487 model access management policy or ordinance developed by the department under
3488 Subsection 72-2-117(8);

3489 (iii) include procedures for:

3490 (A) the application and review of a permit for approach roads and driveways
3491 including review of related site plans that have been recommended according
3492 to local ordinances; and

3493 (B) approving, modifying, denying, or appealing the modification or denial of a
3494 permit for approach roads and driveways within 45 days of receipt of the
3495 application; and

3496 (iv) require written justifications for modifying or denying a permit.

(b) The department may delegate the administration of the rules to the highway authorities of a municipality.

(c) In accordance with this section and Section 72-7-104, an approach road or driveway may not be constructed on a state highway without a permit issued under this section.

(3) The department has jurisdiction and control over the entire right-of-way of interstate highways within municipalities and is responsible for the construction, maintenance, and regulation of the interstate highways within municipalities.

Section 33. Section **72-6-118** is amended to read:

72-6-118 (Effective 05/07/25). Definitions -- Establishment and operation of tollways -- Imposition and collection of tolls -- Amount of tolls -- Rulemaking.

(1) As used in this section:

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

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

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

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

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

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

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

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

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

(c) impose and collect tolls on any tollway established under this section, including 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

- 3531 pursuant to the terms and conditions of a tollway development agreement;
- 3532 (e) use technology to automatically monitor a tollway and collect payment of a toll,
- 3533 including:
- 3534 (i) license plate reading technology; and
- 3535 (ii) photographic or video recording technology; and
- 3536 (f) in accordance with Subsection (5), request that the Division of Motor Vehicles deny
- 3537 a request for registration of a motor vehicle if the motor vehicle owner has failed to
- 3538 pay a toll or penalty imposed for usage of a tollway involving the motor vehicle for
- 3539 which registration renewal has been requested.
- 3540 (3)(a) The department may establish or operate a tollway on an existing highway if
- 3541 approved by the commission in accordance with the terms of this section.
- 3542 (b) To establish a tollway on an existing highway, the department shall submit a
- 3543 proposal to the commission including:
- 3544 (i) a description of the tollway project;
- 3545 (ii) projected traffic on the tollway;
- 3546 (iii) the anticipated amount of the toll to be charged; and
- 3547 (iv) projected toll revenue.
- 3548 (4)(a) For a tollway established under this section, the department may:
- 3549 (i) according to the terms of each tollway, impose the toll upon the owner of a motor
- 3550 vehicle using the tollway according to the terms of the tollway;
- 3551 (ii) send [~~correspondence~~] notice to the owner of the motor vehicle to inform the
- 3552 owner of:
- 3553 (A) an unpaid toll and the amount of the toll to be paid to the department;
- 3554 (B) the penalty for failure to pay the toll timely; [~~and~~]
- 3555 (C) [~~a~~] any hold being placed on the owner's registration for the motor vehicle if
- 3556 the toll and penalty are not paid timely, which would prevent the renewal of the
- 3557 motor vehicle's registration; and
- 3558 (D) any other information required by the terms of the tollway;
- 3559 (iii) require that the owner of the motor vehicle pay the toll to the department within
- 3560 30 days of the date when the department sends written notice of the toll to the
- 3561 owner; and
- 3562 (iv) impose a penalty for failure to pay a toll timely.
- 3563 (b) The department shall [~~mail the correspondence and~~] provide the notice described in
- 3564 Subsection (4)(a) to the owner of the motor vehicle according to the terms of a

- 3565 tollway.
- 3566 (5)(a) The Division of Motor Vehicles and the department shall share and provide access
3567 to information pertaining to a motor vehicle and tollway enforcement including:
- 3568 (i) registration and ownership information pertaining to a motor vehicle;
- 3569 (ii) information regarding the failure of a motor vehicle owner to timely pay a toll or
3570 penalty imposed under this section; and
- 3571 (iii) the status of a request for a hold on the registration of a motor vehicle.
- 3572 (b) If the department requests a hold on the registration in accordance with this section,
3573 the Division of Motor Vehicles may not renew the registration of a motor vehicle
3574 under Title 41, Chapter 1a, Part 2, Registration, if the owner of the motor vehicle has
3575 failed to pay a toll or penalty imposed under this section for usage of a tollway
3576 involving the motor vehicle for which registration renewal has been requested until
3577 the department withdraws the hold request.
- 3578 (6)(a) Except as provided in Subsection (6)(b), in accordance with Title 63G, Chapter 3,
3579 Utah Administrative Rulemaking Act, the commission shall:
- 3580 (i) set the amount of any toll imposed or collected on a tollway on a state highway;
3581 and
- 3582 (ii) for tolls established under Subsection (6)(b), set:
- 3583 (A) an increase in a toll rate or user fee above an increase specified in a tollway
3584 development agreement; or
- 3585 (B) an increase in a toll rate or user fee above a maximum toll rate specified in a
3586 tollway development agreement.
- 3587 (b) A toll or user fee and an increase to a toll or user fee imposed or collected on a
3588 tollway on a state highway that is the subject of a tollway development agreement
3589 shall be set in the tollway development agreement.
- 3590 (7)(a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
3591 the department shall make rules:
- 3592 (i) necessary to establish and operate tollways on state highways;
- 3593 (ii) that establish standards and specifications for automatic tolling systems and
3594 automatic tollway monitoring technology; and
- 3595 (iii) to set the amount of a penalty for failure to pay a toll under this section.
- 3596 (b) The rules shall:
- 3597 (i) include minimum criteria for having a tollway; and
- 3598 (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 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:
 - (i) in accordance with the disclosure requirements for a protected record under Section 63G-2-202; or
 - (ii) pursuant to a warrant issued under the Utah Rules of Criminal Procedure or an equivalent federal warrant.
- (11)(a) The department may not sell for any purpose photographic or video data captured under Subsection (2)(e)(ii).
- (b) The department may not share captured photographic or video data for a purpose not authorized under this section.

Section 34. Section **72-6-206** is amended to read:

72-6-206 (Effective 05/07/25). Commission approval and legislative review of tollway development agreement provisions.

- (1) Prior to the department entering into a tollway development agreement under Section 72-6-203, the department shall submit to the commission for approval the tollway development agreement, including:
 - (a) a description of the tollway facility, including the conceptual design of the facility and all proposed interconnections with other transportation facilities;
 - (b) the proposed date for development, operation, or both of the tollway facility;
 - (c) the proposed term of the tollway development agreement;
 - (d) the proposed method to determine toll rates or user fees, including:
 - (i) identification of vehicle or user classifications, or both, for toll rates;
 - (ii) the original proposed toll rate or user fee for the tollway facility;
 - (iii) proposed toll rate or user fee increases; and
 - (iv) a maximum toll rate or user fee for the tollway facility; and
 - (e) any proposed revenue, public or private, or proposed debt or equity investment that will be used for the design, construction, financing, acquisition, maintenance, or operation of the tollway facility.
- (2) Prior to amending or modifying a tollway development agreement, the department shall submit the proposed amendment or modification to the commission for approval.
- (3) The department shall annually report to the Transportation Interim Committee [~~or another committee designated by the Legislative Management Committee~~] on the status and progress of a tollway subject to a tollway development agreement under Section 72-6-203.

Section 35. Section **72-10-109** is amended to read:

72-10-109 (Effective 05/07/25). Certificate of registration of aircraft required -- Exceptions.

- (1) Except as provided in Subsection (2), a person may not operate, pilot, or navigate, or cause or authorize to be operated, piloted, or navigated within this state any civil aircraft [~~operating~~] based in this state for 181 or more days within any consecutive 12-month period unless the aircraft has a current certificate of registration issued by the department.
- (2) The state registration requirement under Subsection (1) does not apply to:
 - (a) aircraft licensed by a foreign country with which the United States has a reciprocal agreement covering the operations of the registered aircraft;

3667 (b) a non-passenger-carrying flight solely for inspection or test purposes authorized by
 3668 the Federal Aviation Administration to be made without the certificate of registration;
 3669 or

3670 (c) aircraft operating under 14 C.F.R. Part 121, with a maximum takeoff weight
 3671 exceeding 35,000 pounds.

3672 (3) Beginning on January 1, 2025, a person may not operate in this state an unmanned
 3673 aircraft system or an advanced air mobility aircraft for commercial operation for which
 3674 certification is required under 14 C.F.R. Part 107 or 135 unless the aircraft has a current
 3675 certificate of registration issued by the department.

3676 (4) The department shall, on or before December 31 of each calendar year, provide to the
 3677 State Tax Commission a list of each aircraft for which a current certificate of registration
 3678 is issued by the department under Subsection (1).

3679 Section 36. **Repealer.**

3680 This bill repeals:

3681 Section **63B-8-503, Highway intent language.**

3682 Section **72-2-118, Centennial Highway Fund.**

3683 Section **72-4-222, Governor Scott Matheson and Senator Jake Garn Rest Area.**

3684 Section 37. **FY 2026 Appropriations.**

3685 The following sums of money are appropriated for the fiscal year beginning July 1,
 3686 2025, and ending June 30, 2026. These are additions to amounts previously appropriated for
 3687 fiscal year 2026.

3688 Subsection 37(a). **Capital Project Funds**

3689 The Legislature has reviewed the following capital project funds. The Legislature
 3690 authorizes the State Division of Finance to transfer amounts between funds and accounts as
 3691 indicated.

3692 ITEM 1 To Transportation - Transportation Investment Fund of 2005

3693 From General Fund (330,000,000)

3694 Schedule of Programs:

3695 Transportation Investment Fund (330,000,000)

3696 Section 38. **Effective Date.**

3697 (1) Except as provided in Subsections (2) and (3), this bill takes effect May 7, 2025.

3698 (2) The actions affecting Section 72-1-217 and Section 72-2-121 take effect:

3699 (a) except as provided in Subsection (2)(b), May 7, 2025; or

3700 (b) if approved by two-thirds of all members elected to each house:

- 3701 (i) upon approval by the governor;
- 3702 (ii) without the governor's signature, the day following the constitutional time limit of
- 3703 Utah Constitution, Article VII, Section 8; or
- 3704 (iii) in the case of a veto, the date of veto override.
- 3705 (3) The actions affecting Section 59-12-103 (Effective 07/01/25) and Section 72-2-106
- 3706 (Effective 07/01/25) take effect on July 1, 2025.