LOCAL GOVERNMENT TRANSPORTATION SERVICES AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Candice B. Pierucci

Senate Sponsor: ____________

LONG TITLE

General Description:

This bill requires a large public transit district allocate certain local option sales and use taxes for transportation to be used within the city or town where the revenue was generated.

Highlighted Provisions:

This bill:

- requires a large public transit district allocate certain local option sales and use taxes for transportation to be used within the city or town where the revenue was generated; and
- requires a large public transit district to provide a report to each city and town with an accounting of how certain local option sales and use tax revenue is spent.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-12-2212.2, as enacted by Laws of Utah 2019, Chapter 479

H.B. 430

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

Section 1. Section **59-12-2212.2** is amended to read:

59-12-2212.2. 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) (a) For any revenue collected under this part that is distributed to a large public transit district in accordance with Section 59-12-2206, a large public transit district shall ensure that the revenue is used to provide services within a city or town in the same proportion as the revenue from the sales and use tax revenue is generated within that city or town.

(b) A large public transit district shall provide an annual report to each city and town within the boundary of the large public transit district, which report shall provide an accounting of:

(i) the amount of revenue from local option sales and use taxes under this part that was collected within each respective county, city, or town and allocated to the large public transit district as provided in this part;

(ii) how much revenue described in Subsection (3)(b)(i) was allocated to provide public transit services within each city and town; and

(iii) how the revenue described in Subsection (3)(b)(ii) was spent to provide public transit services within each respective city and town.

Section 2. **Effective date.**

This bill takes effect on May 1, 2024.