

Motor Vehicle Division Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: Kay J. Christofferson

LONG TITLE**Committee Note:**

The Transportation Interim Committee recommended this bill.

Legislative Vote: 9 voting for 1 voting against 7 absent

General Description:

This bill amends provisions pertaining to the Motor Vehicle Division to make technical changes and clean up.

Highlighted Provisions:

This bill:

- defines terms related to trailers, motorboats, and motorcycles;
- clarifies that a street-legal off-highway vehicle includes an off-highway motorcycle that has been modified to have equipment necessary for on-highway use;
- clarifies which registration fees apply to certain vehicles;
- amends provisions related to insurance for a motorboat, to only require the designated agent to notify the Motor Vehicle Division of a lapse in coverage during the months of April through October;
- revises provisions related to sales and use taxes to simplify certain earmarks; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

11-70-207, as enacted by Laws of Utah 2024, Chapter 419

26B-1-315, as last amended by Laws of Utah 2024, Chapter 439

41-1a-102, as last amended by Laws of Utah 2024, Chapter 483

41-1a-110, as last amended by Laws of Utah 2023, Chapter 212

31 **41-1a-1206**, as last amended by Laws of Utah 2024, Chapter 483
 32 **41-6a-102**, as last amended by Laws of Utah 2024, Chapter 236
 33 **41-6a-1509**, as last amended by Laws of Utah 2024, Chapter 459
 34 **41-12a-804**, as last amended by Laws of Utah 2024, Chapter 236
 35 **41-22-2**, as last amended by Laws of Utah 2024, Chapter 242
 36 **41-22-3**, as last amended by Laws of Utah 2024, Chapter 236
 37 **41-22-5.5**, as last amended by Laws of Utah 2022, Chapter 68
 38 **41-22-10.7**, as last amended by Laws of Utah 2022, Chapter 68
 39 **41-22-10.8**, as last amended by Laws of Utah 2010, Chapter 363
 40 **51-9-902**, as last amended by Laws of Utah 2024, Chapter 41
 41 **53-2a-1102**, as last amended by Laws of Utah 2023, Chapters 34, 471
 42 **59-12-102**, as last amended by Laws of Utah 2024, Chapter 274
 43 **59-12-103**, as last amended by Laws of Utah 2024, Chapters 88, 501
 44 **59-12-104.2**, as last amended by Laws of Utah 2022, Chapter 274
 45 **59-12-1201**, as last amended by Laws of Utah 2024, Chapter 274
 46 **63N-2-510**, as last amended by Laws of Utah 2023, Chapter 471
 47 **63N-2-512**, as last amended by Laws of Utah 2024, Chapter 159
 48 **72-2-106**, as last amended by Laws of Utah 2023, Chapter 22
 49 **72-2-124**, as last amended by Laws of Utah 2024, Chapters 498, 501
 50 **73-2-1.6**, as last amended by Laws of Utah 2024, Chapter 154

51

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

53 Section 1. Section **11-70-207** is amended to read:

54 **11-70-207 . Use of fairpark district funds.**

55 (1)(a) Subject to Subsection (2), the fairpark district may use fairpark district funds for
 56 any purpose authorized under this chapter, including to pay for:

57 (i) the development and construction of a qualified stadium;

58 (ii) administrative, overhead, legal, consulting, and other operating expenses of the
 59 fairpark district;

60 (iii) all or part of the development of land within a project area, including:

61 (A) financing or refinancing; and

62 (B) assisting the ongoing operation of a development or facility within the project
 63 area;

64 (iv) the cost of the installation of public infrastructure and improvements outside a

- 65 project area if the board determines by resolution that the infrastructure and
 66 improvements are of benefit to the project area;
- 67 (v) the principal and interest on bonds issued by the fairpark district;
- 68 (vi) the payment of an infrastructure loan, as defined in Section 11-70-104, according
 69 to the terms of the infrastructure loan; and
- 70 (vii) the costs of promoting, facilitating, and implementing other development of land
 71 within the fairpark district boundary.
- 72 (b) The determination of the board under Subsection (1)(a)(iv) regarding benefit to the
 73 project area is final.
- 74 (2)(a) The fairpark district may use money it receives under Subsection 59-12-1201
 75 (2)(a)(ii) and Subsection [~~59-12-103(16)~~] 59-12-103(8) only for the development and
 76 construction of a qualified stadium, including paying for bonds issued to pay for the
 77 development and construction of a qualified stadium.
- 78 (b) If the amount of money the fairpark district receives under Subsection (2)(a) exceeds
 79 the amount required to pay the annual debt service on bonds issued to pay for the
 80 development and construction of a qualified stadium, the fairpark district shall use
 81 the excess amount received to pay down the principal on those bonds.
- 82 (3) The fairpark district may share enhanced property tax revenue with a taxing entity that
 83 levies a property tax on land within the project area from which the enhanced property
 84 tax revenue is generated.

85 Section 2. Section **26B-1-315** is amended to read:

86 **26B-1-315 . Medicaid ACA Fund.**

- 87 (1) There is created an expendable special revenue fund known as the "Medicaid ACA
 88 Fund."
- 89 (2) The fund consists of:
- 90 (a) assessments collected under Chapter 3, Part 5, Inpatient Hospital Assessment;
- 91 (b) intergovernmental transfers under Section 26B-3-508;
- 92 (c) savings attributable to the health coverage improvement program, as defined in
 93 Section 26B-3-501, as determined by the department;
- 94 (d) savings attributable to the enhancement waiver program, as defined in Section
 95 26B-3-501, as determined by the department;
- 96 (e) savings attributable to the Medicaid waiver expansion, as defined in Section
 97 26B-3-501, as determined by the department;
- 98 (f) savings attributable to the inclusion of psychotropic drugs on the preferred drug list

- 99 under Subsection 26B-3-105(3) as determined by the department;
- 100 (g) revenues collected from the sales tax described in Subsection [59-12-103(11)]
- 101 59-12-103(6);
- 102 (h) gifts, grants, donations, or any other conveyance of money that may be made to the
- 103 fund from private sources;
- 104 (i) interest earned on money in the fund; and
- 105 (j) additional amounts as appropriated by the Legislature.
- 106 (3)(a) The fund shall earn interest.
- 107 (b) All interest earned on fund money shall be deposited into the fund.
- 108 (4)(a) A state agency administering the provisions of Chapter 3, Part 5, Inpatient
- 109 Hospital Assessment, may use money from the fund to pay the costs, not otherwise
- 110 paid for with federal funds or other revenue sources, of:
- 111 (i) the health coverage improvement program as defined in Section 26B-3-501;
- 112 (ii) the enhancement waiver program as defined in Section 26B-3-501;
- 113 (iii) a Medicaid waiver expansion as defined in Section 26B-3-501; and
- 114 (iv) the outpatient upper payment limit supplemental payments under Section
- 115 26B-3-511.
- 116 (b) A state agency administering the provisions of Chapter 3, Part 5, Inpatient Hospital
- 117 Assessment, may not use:
- 118 (i) funds described in Subsection (2)(b) to pay the cost of private outpatient upper
- 119 payment limit supplemental payments; or
- 120 (ii) money in the fund for any purpose not described in Subsection (4)(a).

121 Section 3. Section **41-1a-102** is amended to read:

122 **41-1a-102 . Definitions.**

123 As used in this chapter:

- 124 (1) "Actual miles" means the actual distance a vehicle has traveled while in operation.
- 125 (2) "Actual weight" means the actual unladen weight of a vehicle or combination of
- 126 vehicles as operated and certified to by a weighmaster.
- 127 (3) "All-terrain type I vehicle" means the same as that term is defined in Section 41-22-2.
- 128 (4) "All-terrain type II vehicle" means the same as that term is defined in Section 41-22-2.
- 129 (5) "All-terrain type III vehicle" means the same as that term is defined in Section 41-22-2.
- 130 (6) "Alternative fuel vehicle" means:
- 131 (a) an electric motor vehicle;
- 132 (b) a hybrid electric motor vehicle;

- 133 (c) a plug-in hybrid electric motor vehicle; or
134 (d) a motor vehicle powered exclusively by a fuel other than:
135 (i) motor fuel;
136 (ii) diesel fuel;
137 (iii) natural gas; or
138 (iv) propane.
- 139 (7) "Amateur radio operator" means a person licensed by the Federal Communications
140 Commission to engage in private and experimental two-way radio operation on the
141 amateur band radio frequencies.
- 142 (8) "Autocycle" means the same as that term is defined in Section 53-3-102.
- 143 (9) "Automated driving system" means the same as that term is defined in Section
144 41-26-102.1.
- 145 (10) "Branded title" means a title certificate that is labeled:
146 (a) rebuilt and restored to operation;
147 (b) flooded and restored to operation; or
148 (c) not restored to operation.
- 149 (11) "Camper" means a structure designed, used, and maintained primarily to be mounted
150 on or affixed to a motor vehicle that contains a floor and is designed to provide a mobile
151 dwelling, sleeping place, commercial space, or facilities for human habitation or for
152 camping.
- 153 (12) "Certificate of title" means a document issued by a jurisdiction to establish a record of
154 ownership between an identified owner and the described vehicle, vessel, or outboard
155 motor.
- 156 (13) "Certified scale weigh ticket" means a weigh ticket that has been issued by a
157 weighmaster.
- 158 (14) "Commercial vehicle" means a motor vehicle, trailer, or semitrailer used or maintained
159 for the transportation of persons or property that operates:
160 (a) as a carrier for hire, compensation, or profit; or
161 (b) as a carrier to transport the vehicle owner's goods or property in furtherance of the
162 owner's commercial enterprise.
- 163 (15) "Commission" means the State Tax Commission.
- 164 (16) "Consumer price index" means the same as that term is defined in Section 59-13-102.
- 165 (17) "Dealer" means a person engaged or licensed to engage in the business of buying,
166 selling, or exchanging new or used vehicles, vessels, or outboard motors either outright

167 or on conditional sale, bailment, lease, chattel mortgage, or otherwise or who has an
168 established place of business for the sale, lease, trade, or display of vehicles, vessels, or
169 outboard motors.

170 (18) "Diesel fuel" means the same as that term is defined in Section 59-13-102.

171 (19) "Division" means the Motor Vehicle Division of the commission, created in Section
172 41-1a-106.

173 (20) "Dynamic driving task" means the same as that term is defined in Section 41-26-102.1.

174 (21) "Electric motor vehicle" means a motor vehicle that is powered solely by an electric
175 motor drawing current from a rechargeable energy storage system.

176 (22) "Essential parts" means the integral and body parts of a vehicle of a type required to be
177 registered in this state, the removal, alteration, or substitution of which would tend to
178 conceal the identity of the vehicle or substantially alter the vehicle's appearance, model,
179 type, or mode of operation.

180 (23) "Farm tractor" means a motor vehicle designed and used primarily as a farm
181 implement for drawing plows, mowing machines, and other implements of husbandry.

182 (24)(a) "Farm truck" means a truck used by the owner or operator of a farm solely for
183 the owner's or operator's own use in the transportation of:

184 (i) farm products, including livestock and its products, poultry and its products,
185 floricultural and horticultural products;

186 (ii) farm supplies, including tile, fence, and any other thing or commodity used in
187 agricultural, floricultural, horticultural, livestock, and poultry production; and

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

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

192 (25) "Fleet" means one or more commercial vehicles.

193 (26) "Foreign vehicle" means a vehicle of a type required to be registered, brought into this
194 state from another state, territory, or country other than in the ordinary course of
195 business by or through a manufacturer or dealer, and not registered in this state.

196 (27) "Gross laden weight" means the actual weight of a vehicle or combination of vehicles,
197 equipped for operation, to which shall be added the maximum load to be carried.

198 (28) "Highway" or "street" means the entire width between property lines of every way or
199 place of whatever nature when any part of it is open to the public, as a matter of right,
200 for purposes of vehicular traffic.

- 201 (29) "Hybrid electric motor vehicle" means a motor vehicle that draws propulsion energy
202 from onboard sources of stored energy that are both:
- 203 (a) an internal combustion engine or heat engine using consumable fuel; and
204 (b) a rechargeable energy storage system where energy for the storage system comes
205 solely from sources onboard the vehicle.
- 206 (30)(a) "Identification number" means the identifying number assigned by the
207 manufacturer or by the division for the purpose of identifying the vehicle, vessel, or
208 outboard motor.
- 209 (b) "Identification number" includes a vehicle identification number, state assigned
210 identification number, hull identification number, and motor serial number.
- 211 (31) "Implement of husbandry" means a vehicle designed or adapted and used exclusively
212 for an agricultural operation and only incidentally operated or moved upon the highways.
- 213 (32)(a) "In-state miles" means the total number of miles operated in this state during the
214 preceding year by fleet power units.
- 215 (b) If a fleet is composed entirely of trailers or semitrailers, "in-state miles" means the
216 total number of miles that those vehicles were towed on Utah highways during the
217 preceding year.
- 218 (33) "Interstate vehicle" means a commercial vehicle operated in more than one state,
219 province, territory, or possession of the United States or foreign country.
- 220 (34) "Jurisdiction" means a state, district, province, political subdivision, territory, or
221 possession of the United States or any foreign country.
- 222 (35) "Lienholder" means a person with a security interest in particular property.
- 223 (36) "Manufactured home" means a transportable factory built housing unit constructed on
224 or after June 15, 1976, according to the Federal Home Construction and Safety
225 Standards Act of 1974 (HUD Code), in one or more sections, which, in the traveling
226 mode, is eight body feet or more in width or 40 body feet or more in length, or when
227 erected on site, is 400 or more square feet, and which is built on a permanent chassis and
228 designed to be used as a dwelling with or without a permanent foundation when
229 connected to the required utilities, and includes the plumbing, heating, air-conditioning,
230 and electrical systems.
- 231 (37) "Manufacturer" means a person engaged in the business of constructing,
232 manufacturing, assembling, producing, or importing new or unused vehicles, vessels, or
233 outboard motors for the purpose of sale or trade.
- 234 (38) "Military vehicle" means a vehicle of any size or weight that was manufactured for use

- 235 by armed forces and that is maintained in a condition that represents the vehicle's
236 military design and markings regardless of current ownership or use.
- 237 (39) "Mobile home" means a transportable factory built housing unit built prior to June 15,
238 1976, in accordance with a state mobile home code which existed prior to the Federal
239 Manufactured Housing and Safety Standards Act (HUD Code).
- 240 (40) "Motor fuel" means the same as that term is defined in Section 59-13-102.
- 241 (41)(a) "Motor vehicle" means a self-propelled vehicle intended primarily for use and
242 operation on the highways.
- 243 (b) "Motor vehicle" includes a roadable aircraft and a street-legal all-terrain vehicle.
- 244 (c) "Motor vehicle" does not include:
- 245 (i) an off-highway vehicle; or
- 246 (ii) a motor assisted scooter as defined in Section 41-6a-102.
- 247 (42) "Motorboat" means the same as that term is defined in Section ~~[73-18-2]~~ 73-18c-102.
- 248 (43) "Motorcycle" means:
- 249 (a) a motor vehicle having a saddle for the use of the rider and designed to travel on not
250 more than three wheels in contact with the ground; or
- 251 (b) an autocycle.
- 252 (44) "Natural gas" means a fuel of which the primary constituent is methane.
- 253 (45)(a) "Nonresident" means a person who is not a resident of this state as defined by
254 Section 41-1a-202, and who does not engage in intrastate business within this state
255 and does not operate in that business any motor vehicle, trailer, or semitrailer within
256 this state.
- 257 (b) A person who engages in intrastate business within this state and operates in that
258 business any motor vehicle, trailer, or semitrailer in this state or who, even though
259 engaging in interstate commerce, maintains a vehicle in this state as the home station
260 of that vehicle is considered a resident of this state, insofar as that vehicle is
261 concerned in administering this chapter.
- 262 (46) "Odometer" means a device for measuring and recording the actual distance a vehicle
263 travels while in operation, but does not include any auxiliary odometer designed to be
264 periodically reset.
- 265 (47) "Off-highway implement of husbandry" means the same as that term is defined in
266 Section 41-22-2.
- 267 (48) "Off-highway vehicle" means the same as that term is defined in Section 41-22-2.
- 268 (49)(a) "Operate" means:

- 269 (i) to navigate a vessel; or
- 270 (ii) collectively, the activities performed in order to perform the entire dynamic
- 271 driving task for a given motor vehicle by:
- 272 (A) a human driver as defined in Section 41-26-102.1; or
- 273 (B) an engaged automated driving system.
- 274 (b) "Operate" includes testing of an automated driving system.
- 275 (50) "Original issue license plate" means a license plate that is of a format and type issued
- 276 by the state in the same year as the model year of a vehicle that is a model year 1973 or
- 277 older.
- 278 (51) "Outboard motor" means a detachable self-contained propulsion unit, excluding fuel
- 279 supply, used to propel a vessel.
- 280 (52)(a) "Owner" means a person, other than a lienholder, holding title to a vehicle,
- 281 vessel, or outboard motor whether or not the vehicle, vessel, or outboard motor is
- 282 subject to a security interest.
- 283 (b) If a vehicle is the subject of an agreement for the conditional sale or installment sale
- 284 or mortgage of the vehicle with the right of purchase upon performance of the
- 285 conditions stated in the agreement and with an immediate right of possession vested
- 286 in the conditional vendee or mortgagor, or if the vehicle is the subject of a security
- 287 agreement, then the conditional vendee, mortgagor, or debtor is considered the owner
- 288 for the purposes of this chapter.
- 289 (c) If a vehicle is the subject of an agreement to lease, the lessor is considered the owner
- 290 until the lessee exercises the lessee's option to purchase the vehicle.
- 291 (53) "Park model recreational vehicle" means a unit that:
- 292 (a) is designed and marketed as temporary living quarters for recreational, camping,
- 293 travel, or seasonal use;
- 294 (b) is not permanently affixed to real property for use as a permanent dwelling;
- 295 (c) requires a special highway movement permit for transit; and
- 296 (d) is built on a single chassis mounted on wheels with a gross trailer area not exceeding
- 297 400 square feet in the setup mode.
- 298 (54) "Personalized license plate" means a license plate that has displayed on it a
- 299 combination of letters, numbers, or both as requested by the owner of the vehicle and
- 300 assigned to the vehicle by the division.
- 301 (55)(a) "Pickup truck" means a two-axle motor vehicle with motive power
- 302 manufactured, remanufactured, or materially altered to provide an open cargo area.

- 303 (b) "Pickup truck" includes a motor vehicle with the open cargo area covered with a
304 camper, camper shell, tarp, removable top, or similar structure.
- 305 (56) "Plug-in hybrid electric motor vehicle" means a hybrid electric motor vehicle that has
306 the capability to charge the battery or batteries used for vehicle propulsion from an
307 off-vehicle electric source, such that the off-vehicle source cannot be connected to the
308 vehicle while the vehicle is in motion.
- 309 (57) "Pneumatic tire" means a tire in which compressed air is designed to support the load.
- 310 (58) "Preceding year" means a period of 12 consecutive months fixed by the division that is
311 within 16 months immediately preceding the commencement of the registration or
312 license year in which proportional registration is sought. The division in fixing the
313 period shall conform it to the terms, conditions, and requirements of any applicable
314 agreement or arrangement for the proportional registration of vehicles.
- 315 (59) "Public garage" means a building or other place where vehicles or vessels are kept and
316 stored and where a charge is made for the storage and keeping of vehicles and vessels.
- 317 (60) "Receipt of surrender of ownership documents" means the receipt of surrender of
318 ownership documents described in Section 41-1a-503.
- 319 (61) "Reconstructed vehicle" means a vehicle of a type required to be registered in this state
320 that is materially altered from its original construction by the removal, addition, or
321 substitution of essential parts, new or used.
- 322 (62) "Recreational vehicle" means the same as that term is defined in Section 13-14-102.
- 323 (63) "Registration" means a document issued by a jurisdiction that allows operation of a
324 vehicle or vessel on the highways or waters of this state for the time period for which the
325 registration is valid and that is evidence of compliance with the registration requirements
326 of the jurisdiction.
- 327 (64) "Registration decal" means the decal issued by the division that is evidence of
328 compliance with the division's registration requirements.
- 329 (65)(a) "Registration year" means a 12 consecutive month period commencing with the
330 completion of the applicable registration criteria.
- 331 (b) For administration of a multistate agreement for proportional registration the division
332 may prescribe a different 12-month period.
- 333 (66) "Repair or replacement" means the restoration of vehicles, vessels, or outboard motors
334 to a sound working condition by substituting any inoperative part of the vehicle, vessel,
335 or outboard motor, or by correcting the inoperative part.
- 336 (67) "Replica vehicle" means:

- 337 (a) a street rod that meets the requirements under Subsection 41-21-1(3)(a)(i)(B); or
 338 (b) a custom vehicle that meets the requirements under Subsection 41-6a-1507
 339 (1)(a)(i)(B).
- 340 (68) "Restored-modified vehicle" means a motor vehicle that has been restored and
 341 modified with modern parts and technology, including emission control technology and
 342 an on-board diagnostic system.
- 343 (69) "Road tractor" means a motor vehicle designed and used for drawing other vehicles
 344 and constructed so it does not carry any load either independently or any part of the
 345 weight of a vehicle or load that is drawn.
- 346 (70) "Roadable aircraft" means the same as that term is defined in Section 72-10-102.
- 347 (71) "Sailboat" means the same as that term is defined in Section 73-18-2.
- 348 (72) "Security interest" means an interest that is reserved or created by a security agreement
 349 to secure the payment or performance of an obligation and that is valid against third
 350 parties.
- 351 ~~[(73) "Semitrailer" means a vehicle without motive power designed for carrying persons or
 352 property and for being drawn by a motor vehicle and constructed so that some part of its
 353 weight and its load rests or is carried by another vehicle.]~~
- 354 (73) "Semitrailer" means the same as the term "trailer."
- 355 (74) "Special group license plate" means a type of license plate designed for a particular
 356 group of people or a license plate authorized and issued by the division in accordance
 357 with Section 41-1a-418 or Part 16, Sponsored Special Group License Plates.
- 358 (75)(a) "Special interest vehicle" means a vehicle used for general transportation
 359 purposes and that is:
- 360 (i) 20 years or older from the current year; or
 361 (ii) a make or model of motor vehicle recognized by the division director as having
 362 unique interest or historic value.
- 363 (b) In making a determination under Subsection (75)(a), the division director shall give
 364 special consideration to:
- 365 (i) a make of motor vehicle that is no longer manufactured;
 366 (ii) a make or model of motor vehicle produced in limited or token quantities;
 367 (iii) a make or model of motor vehicle produced as an experimental vehicle or one
 368 designed exclusively for educational purposes or museum display; or
 369 (iv) a motor vehicle of any age or make that has not been substantially altered or
 370 modified from original specifications of the manufacturer and because of its

371 significance is being collected, preserved, restored, maintained, or operated by a
372 collector or hobbyist as a leisure pursuit.

373 (76)(a) "Special mobile equipment" means a vehicle:

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

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

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

377 (b) "Special mobile equipment" includes:

378 (i) farm tractors;

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

381 (iii) ditch-digging apparatus.

382 (c) "Special mobile equipment" does not include a commercial vehicle as defined under
383 Section 72-9-102.

384 (77) "Specially constructed vehicle" means a vehicle of a type required to be registered in
385 this state, not originally constructed under a distinctive name, make, model, or type by a
386 generally recognized manufacturer of vehicles, and not materially altered from its
387 original construction.

388 (78)(a) "Standard license plate" means a license plate for general issue described in
389 Subsection 41-1a-402(1).

390 (b) "Standard license plate" includes a license plate for general issue that the division
391 issues before January 1, 2024.

392 (79) "State impound yard" means a yard for the storage of a vehicle, vessel, or outboard
393 motor that meets the requirements of rules made by the commission as described in
394 Subsection 41-1a-1101(7).

395 (80) "Street-legal all-terrain vehicle" or "street-legal ATV" means the same as that term is
396 defined in Section 41-6a-102.

397 (81) "Symbol decal" means the decal that is designed to represent a special group and
398 displayed on a special group license plate.

399 (82) "Title" means the right to or ownership of a vehicle, vessel, or outboard motor.

400 (83)(a) "Total fleet miles" means the total number of miles operated in all jurisdictions
401 during the preceding year by power units.

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

- 405 (84) "Tow truck motor carrier" means the same as that term is defined in Section 72-9-102.
- 406 (85) "Tow truck operator" means the same as that term is defined in Section 72-9-102.
- 407 [~~(86) "Trailer" means a vehicle without motive power designed for carrying persons or~~
- 408 ~~property and for being drawn by a motor vehicle and constructed so that no part of its~~
- 409 ~~weight rests upon the towing vehicle.]~~
- 410 (86) "Trailer" means a vehicle:
- 411 (a) without motive power; and
- 412 (b) designed for:
- 413 (i) carrying persons or property; and
- 414 (ii) being drawn by a motor vehicle.
- 415 (87) "Transferee" means a person to whom the ownership of property is conveyed by sale,
- 416 gift, or any other means except by the creation of a security interest.
- 417 (88) "Transferor" means a person who transfers the person's ownership in property by sale,
- 418 gift, or any other means except by creation of a security interest.
- 419 (89) "Travel trailer," "camping trailer," or "fifth wheel trailer" means a portable vehicle
- 420 without motive power, designed as a temporary dwelling for travel, recreational, or
- 421 vacation use that does not require a special highway movement permit when drawn by a
- 422 self-propelled motor vehicle.
- 423 (90) "Truck tractor" means a motor vehicle designed and used primarily for drawing other
- 424 vehicles and not constructed to carry a load other than a part of the weight of the vehicle
- 425 and load that is drawn.
- 426 (91) "Vehicle" includes a motor vehicle, trailer, semitrailer, off-highway vehicle, camper,
- 427 park model recreational vehicle, manufactured home, and mobile home.
- 428 (92) "Vessel" means the same as that term is defined in Section 73-18-2.
- 429 (93) "Vintage vehicle" means the same as that term is defined in Section 41-21-1.
- 430 (94) "Waters of this state" means the same as that term is defined in Section 73-18-2.
- 431 (95) "Weighmaster" means a person, association of persons, or corporation permitted to
- 432 weigh vehicles under this chapter.

433 Section 4. Section **41-1a-110** is amended to read:

434 **41-1a-110 . Authority of division to suspend or revoke registration, certificate of**

435 **title, license plate, or permit.**

436 (1) Except as provided in Subsections (3) and (4), the division may suspend or revoke a

437 registration, certificate of title, license plate, or permit if:

438 (a) the division is satisfied that a registration, certificate of title, license plate, or permit

- 439 was fraudulently procured or erroneously issued;
- 440 (b) the division determines that a registered vehicle is mechanically unfit or unsafe to be
441 operated or moved upon the highways;
- 442 (c) a registered vehicle has been dismantled;
- 443 (d) the division determines that the required fee has not been paid and the fee is not paid
444 upon reasonable notice and demand;
- 445 (e) a registration decal, license plate, or permit is knowingly displayed upon a vehicle
446 other than the one for which issued;
- 447 (f) the division determines that the owner has committed any offense under this chapter
448 involving the registration, certificate of title, registration card, license plate,
449 registration decal, or permit; or
- 450 (g) the division receives notification by the Department of Transportation that the owner
451 has committed any offence under Title 72, Chapter 9, Motor Carrier Safety Act.
- 452 (2)(a) The division shall revoke the registration of a vehicle if the division receives
453 notification by the:
- 454 (i) Department of Public Safety that a person:
- 455 (A) has been convicted of operating a registered motor vehicle in violation of
456 Section 41-12a-301 or 41-12a-303.2; or
- 457 (B) is under an administrative action taken by the Department of Public Safety for
458 operating a registered motor vehicle in violation of Section 41-12a-301;~~or~~
- 459 (ii) designated agent that the owner of a motor vehicle:
- 460 (A) has failed to provide satisfactory proof of owner's or operator's security to the
461 designated agent after the second notice provided under Section 41-12a-804; or
- 462 (B) provided a false or fraudulent statement to the designated agent~~;~~ or
- 463 (iii) designated agent that, during the months of April through October, the owner of
464 a motorboat:
- 465 (A) has failed to provide satisfactory proof of owner's or operator's security to the
466 designated agent after the second notice provided under Section 41-12a-804; or
467 (B) provided a false or fraudulent statement to the designated agent.
- 468 (b) The division shall notify the Driver License Division if the division revokes the
469 registration of a vehicle under Subsection (2)(a)(ii)(A).
- 470 (3) The division may not suspend or revoke the registration of a vessel or outboard motor
471 unless authorized under Section 73-18-7.3.
- 472 (4) The division may not suspend or revoke the registration of an off-highway vehicle

- 473 unless authorized under Section 41-22-17.
- 474 (5) The division shall charge a registration reinstatement fee under Section 41-1a-1220, if
475 the registration is revoked under Subsection (2).
- 476 (6) Except as provided in Subsections (3), (4), and (7), the division may suspend or revoke
477 a registered vehicle's registration if the division is notified by a local health department,
478 as defined in Section 26A-1-102, that the registered vehicle is unable to meet state or
479 local air emissions standards or violates Subsection 41-6a-1626(2)(a) or (b).
- 480 (7) The division may not suspend or revoke a registered vehicle's registration under
481 Subsection (6) if the registered vehicle has a manufacturer's gross vehicle weight rating
482 that is greater than 26,000 pounds.

483 Section 5. Section **41-1a-1206** is amended to read:

484 **41-1a-1206 . Registration fees -- Fees by gross laden weight.**

- 485 (1) Except as provided in Subsections (2) and (3), at the time application is made for
486 registration or renewal of registration of a vehicle or combination of vehicles under this
487 chapter, a registration fee shall be paid to the division as follows:
- 488 (a) \$46.00 for each motorcycle;
- 489 (b) \$44 for each motor vehicle of 12,000 pounds or less gross laden weight, excluding
490 motorcycles;
- 491 (c) unless the semitrailer or trailer is exempt from registration under Section 41-1a-202
492 or is registered under Section 41-1a-301:
- 493 (i) \$31 for each trailer or semitrailer over 750 pounds gross unladen weight; or
494 (ii) \$28.50 for each commercial trailer or commercial semitrailer of 750 pounds or
495 less gross unladen weight;
- 496 (d)(i) \$53 for each farm truck over 12,000 pounds, but not exceeding 14,000 pounds
497 gross laden weight; plus
498 (ii) \$9 for each 2,000 pounds over 14,000 pounds gross laden weight;
- 499 (e)(i) \$69.50 for each motor vehicle or combination of motor vehicles, excluding
500 farm trucks, over 12,000 pounds, but not exceeding 14,000 pounds gross laden
501 weight; plus
502 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;
- 503 (f)(i) \$69.50 for each park model recreational vehicle over 12,000 pounds, but not
504 exceeding 14,000 pounds gross laden weight; plus
505 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;
- 506 (g) \$45 for each vintage vehicle that has a model year of 1983 or newer;

- 507 (h) in addition to the fee described in Subsection (1)(b):
- 508 (i) an amount equal to the road usage charge cap described in Section 72-1-213.1 for:
- 509 (A) each electric motor vehicle; and
- 510 (B) Each motor vehicle not described in this Subsection (1)(h) that is fueled
- 511 exclusively by a source other than motor fuel, diesel fuel, natural gas, or
- 512 propane;
- 513 (ii) \$21.75 for each hybrid electric motor vehicle; and
- 514 (iii) \$56.50 for each plug-in hybrid electric motor vehicle;
- 515 (i) in addition to the fee described in Subsection (1)(g), for a vintage vehicle that has a
- 516 model year of 1983 or newer, 50 cents; and
- 517 (j) \$28.50 for each roadable aircraft.
- 518 (2)(a) At the time application is made for registration or renewal of registration of a
- 519 vehicle under this chapter for a six-month registration period under Section
- 520 41-1a-215.5, a registration fee shall be paid to the division as follows:
- 521 (i) \$34.50 for each motorcycle; and
- 522 (ii) \$33.50 for each motor vehicle of 12,000 pounds or less gross laden weight,
- 523 excluding motorcycles.
- 524 (b) In addition to the fee described in Subsection (2)(a)(ii), for registration or renewal of
- 525 registration of a vehicle under this chapter for a six-month registration period under
- 526 Section 41-1a-215.5 a registration fee shall be paid to the division as follows:
- 527 (i) an amount equal to the road usage charge cap described in Section 72-1-213.1 for:
- 528 (A) each electric motor vehicle; and
- 529 (B) each motor vehicle not described in this Subsection (2)(b) that is fueled
- 530 exclusively by a source other than motor fuel, diesel fuel, natural gas, or
- 531 propane;
- 532 (ii) \$16.50 for each hybrid electric motor vehicle; and
- 533 (iii) \$43.50 for each plug-in hybrid electric motor vehicle.
- 534 (3)(a) Beginning on January 1, 2024, at the time of registration:
- 535 (i) in addition to the amounts described in Subsections (1)(a), (1)(b), (1)(c)(i),
- 536 (1)(c)(ii), (1)(d)(i), (1)(e)(i), (1)(f)(i), (1)(g), (1)(h), (4)(a), and (7), the individual
- 537 shall also pay an additional \$7 as part of the registration fee; and
- 538 (ii) in addition to the amounts described in Subsection (2)(a), the individual shall also
- 539 pay an additional \$5 as part of the registration fee.
- 540 (b)(i) Beginning on January 1, 2019, the commission shall, on January 1, annually

- 541 adjust the registration fees described in Subsections (1)(a), (1)(b), (1)(c)(i),
542 (1)(c)(ii), (1)(d)(i), (1)(e)(i), (1)(f)(i), (1)(g), (1)(j), (2)(a), (3)(a), (4)(a), and (7),
543 by taking the registration fee rate for the previous year and adding an amount
544 equal to the greater of:
- 545 (A) an amount calculated by multiplying the registration fee of the previous year
546 by the actual percentage change during the previous fiscal year in the
547 Consumer Price Index; and
 - 548 (B) 0.
- 549 (ii) Beginning on January 1, 2024, the commission shall, on January 1, annually
550 adjust the registration fees described in Subsections (1)(h)(ii) and (iii) and
551 (2)(b)(ii) and (iii) by taking the registration fee rate for the previous year and
552 adding an amount equal to the greater of:
- 553 (A) an amount calculated by multiplying the registration fee of the previous year
554 by the actual percentage change during the previous fiscal year in the
555 Consumer Price Index; and
 - 556 (B) 0.
- 557 (c) The amounts calculated as described in Subsection (3)(b) shall be rounded up to the
558 nearest 25 cents.
- 559 (4)(a) The initial registration fee for a vintage vehicle that has a model year of 1982 or
560 older is \$40.
- 561 (b) A vintage vehicle that has a model year of 1982 or older is exempt from the renewal
562 of registration fees under Subsection (1).
- 563 (c) A vehicle with a Purple Heart special group license plate issued on or before
564 December 31, 2023, or issued in accordance with Part 16, Sponsored Special Group
565 License Plates, is exempt from the registration fees under Subsection (1).
- 566 (d) A camper is exempt from the registration fees under Subsection (1).
- 567 (5) If a motor vehicle is operated in combination with a semitrailer or trailer, each motor
568 vehicle shall register for the total gross laden weight of all units of the combination if the
569 total gross laden weight of the combination exceeds 12,000 pounds.
- 570 (6)(a) Registration fee categories under this section are based on the gross laden weight
571 declared in the licensee's application for registration.
- 572 (b) Gross laden weight shall be computed in units of 2,000 pounds. A fractional part of
573 2,000 pounds is a full unit.
- 574 (7) The owner of a commercial trailer or commercial semitrailer may, as an alternative to

- 575 registering under Subsection (1)(c), apply for and obtain a special registration and
 576 license plate for a fee of \$130.
- 577 (8) Except as provided in Section 41-6a-1642, a truck may not be registered as a farm truck
 578 unless:
- 579 (a) the truck meets the definition of a farm truck under Section 41-1a-102; and
 580 (b)(i) the truck has a gross vehicle weight rating of more than 12,000 pounds; or
 581 (ii) the truck has a gross vehicle weight rating of 12,000 pounds or less and the owner
 582 submits to the division a certificate of emissions inspection or a waiver in
 583 compliance with Section 41-6a-1642.
- 584 (9) A violation of Subsection (8) is an infraction that shall be punished by a fine of not less
 585 than \$200.
- 586 (10) A motor vehicle registered as a street-legal all-terrain vehicle is:
- 587 (a) subject to the registration and other fees described in Section 41-22-9; and
 588 (b) not required to pay an additional registration fee under this section.
- 589 ~~[(10)]~~ (11) Trucks used exclusively to pump cement, bore wells, or perform crane services
 590 with a crane lift capacity of five or more tons, are exempt from 50% of the amount of
 591 the fees required for those vehicles under this section.
- 592 Section 6. Section **41-6a-102** is amended to read:
- 593 **41-6a-102 . Definitions.**
- 594 As used in this chapter:
- 595 (1) "Alley" means a street or highway intended to provide access to the rear or side of lots
 596 or buildings in urban districts and not intended for through vehicular traffic.
- 597 (2) "All-terrain type I vehicle" means the same as that term is defined in Section 41-22-2.
- 598 (3) "All-terrain type II vehicle" means the same as that term is defined in Section 41-22-2.
- 599 (4) "All-terrain type III vehicle" means the same as that term is defined in Section 41-22-2.
- 600 (5) "Authorized emergency vehicle" includes:
- 601 (a) a fire department vehicle;
 602 (b) a police vehicle;
 603 (c) an ambulance; and
 604 (d) other publicly or privately owned vehicles as designated by the commissioner of the
 605 Department of Public Safety.
- 606 (6) "Autocycle" means the same as that term is defined in Section 53-3-102.
- 607 (7)(a) "Bicycle" means a wheeled vehicle:
 608 (i) propelled by human power by feet or hands acting upon pedals or cranks;

- 609 (ii) with a seat or saddle designed for the use of the operator;
- 610 (iii) designed to be operated on the ground; and
- 611 (iv) whose wheels are not less than 14 inches in diameter.
- 612 (b) "Bicycle" includes an electric assisted bicycle.
- 613 (c) "Bicycle" does not include scooters and similar devices.
- 614 (8)(a) "Bus" means a motor vehicle:
- 615 (i) designed for carrying more than 15 passengers and used for the transportation of
- 616 persons; or
- 617 (ii) designed and used for the transportation of persons for compensation.
- 618 (b) "Bus" does not include a taxicab.
- 619 (9)(a) "Circular intersection" means an intersection that has an island, generally circular
- 620 in design, located in the center of the intersection where traffic passes to the right of
- 621 the island.
- 622 (b) "Circular intersection" includes:
- 623 (i) roundabouts;
- 624 (ii) rotaries; and
- 625 (iii) traffic circles.
- 626 (10) "Class 1 electric assisted bicycle" means an electric assisted bicycle equipped with a
- 627 motor or electronics that:
- 628 (a) provides assistance only when the rider is pedaling; and
- 629 (b) ceases to provide assistance when the bicycle reaches the speed of 20 miles per hour.
- 630 (11) "Class 2 electric assisted bicycle" means an electric assisted bicycle equipped with a
- 631 motor or electronics that:
- 632 (a) may be used exclusively to propel the bicycle; and
- 633 (b) is not capable of providing assistance when the bicycle reaches the speed of 20 miles
- 634 per hour.
- 635 (12) "Class 3 electric assisted bicycle" means an electric assisted bicycle equipped with a
- 636 motor or electronics that:
- 637 (a) provides assistance only when the rider is pedaling;
- 638 (b) ceases to provide assistance when the bicycle reaches the speed of 28 miles per hour;
- 639 and
- 640 (c) is equipped with a speedometer.
- 641 (13) "Commissioner" means the commissioner of the Department of Public Safety.
- 642 (14) "Controlled-access highway" means a highway, street, or roadway:

- 643 (a) designed primarily for through traffic; and
- 644 (b) to or from which owners or occupants of abutting lands and other persons have no
- 645 legal right of access, except at points as determined by the highway authority having
- 646 jurisdiction over the highway, street, or roadway.
- 647 (15) "Crosswalk" means:
- 648 (a) that part of a roadway at an intersection included within the connections of the lateral
- 649 lines of the sidewalks on opposite sides of the highway measured from:
- 650 (i)(A) the curbs; or
- 651 (B) in the absence of curbs, from the edges of the traversable roadway; and
- 652 (ii) in the absence of a sidewalk on one side of the roadway, that part of a roadway
- 653 included within the extension of the lateral lines of the existing sidewalk at right
- 654 angles to the centerline; or
- 655 (b) any portion of a roadway at an intersection or elsewhere distinctly indicated for
- 656 pedestrian crossing by lines or other markings on the surface.
- 657 (16) "Department" means the Department of Public Safety.
- 658 (17) "Direct supervision" means oversight at a distance within which:
- 659 (a) visual contact is maintained; and
- 660 (b) advice and assistance can be given and received.
- 661 (18) "Divided highway" means a highway divided into two or more roadways by:
- 662 (a) an unpaved intervening space;
- 663 (b) a physical barrier; or
- 664 (c) a clearly indicated dividing section constructed to impede vehicular traffic.
- 665 (19) "Echelon formation" means the operation of two or more snowplows arranged
- 666 side-by-side or diagonally across multiple lanes of traffic of a multi-lane highway to
- 667 clear snow from two or more lanes at once.
- 668 (20)(a) "Electric assisted bicycle" means a bicycle with an electric motor that:
- 669 (i) has a power output of not more than 750 watts;
- 670 (ii) has fully operable pedals;
- 671 (iii) has permanently affixed cranks that were installed at the time of the original
- 672 manufacture;
- 673 (iv) is fully operable as a bicycle without the use of the electric motor; and
- 674 (v) is one of the following:
- 675 (A) a class 1 electric assisted bicycle;
- 676 (B) a class 2 electric assisted bicycle;

- 677 (C) a class 3 electric assisted bicycle; or
 678 (D) a programmable electric assisted bicycle.
- 679 (b) "Electric assisted bicycle" does not include:
 680 (i) a moped;
 681 (ii) a motor assisted scooter;
 682 (iii) a motorcycle;
 683 (iv) a motor-driven cycle; or
 684 (v) any other vehicle with less than four wheels that is designed, manufactured,
 685 intended, or advertised by the seller to have any of the following capabilities or
 686 features, or that is modifiable or is modified to have any of the following
 687 capabilities or features:
 688 (A) has the ability to attain the speed of 20 miles per hour or greater on motor
 689 power alone;
 690 (B) is equipped with a continuous rated motor power of 750 watts or greater;
 691 (C) is equipped with foot pegs for the operator at the time of manufacture, or
 692 requires installation of a pedal kit to have operable pedals; or
 693 (D) if equipped with multiple operating modes and a throttle, has one or more
 694 modes that exceed 20 miles per hour on motor power alone.
- 695 (21)(a) "Electric personal assistive mobility device" means a self-balancing device with:
 696 (i) two nontandem wheels in contact with the ground;
 697 (ii) a system capable of steering and stopping the unit under typical operating
 698 conditions;
 699 (iii) an electric propulsion system with average power of one horsepower or 750
 700 watts;
 701 (iv) a maximum speed capacity on a paved, level surface of 12.5 miles per hour; and
 702 (v) a deck design for a person to stand while operating the device.
- 703 (b) "Electric personal assistive mobility device" does not include a wheelchair.
- 704 (22) "Explosives" means a chemical compound or mechanical mixture commonly used or
 705 intended for the purpose of producing an explosion and that contains any oxidizing and
 706 combustive units or other ingredients in proportions, quantities, or packing so that an
 707 ignition by fire, friction, concussion, percussion, or detonator of any part of the
 708 compound or mixture may cause a sudden generation of highly heated gases, and the
 709 resultant gaseous pressures are capable of producing destructive effects on contiguous
 710 objects or of causing death or serious bodily injury.

- 711 (23) "Farm tractor" means a motor vehicle designed and used primarily as a farm
712 implement, for drawing plows, mowing machines, and other implements of husbandry.
- 713 (24) "Flammable liquid" means a liquid that has a flashpoint of 100 degrees F. or less, as
714 determined by a Tagliabue or equivalent closed-cup test device.
- 715 (25) "Freeway" means a controlled-access highway that is part of the interstate system as
716 defined in Section 72-1-102.
- 717 (26)(a) "Golf cart" means a device that:
- 718 (i) is designed for transportation by players on a golf course;
719 (ii) has not less than three wheels in contact with the ground;
720 (iii) has an unladen weight of less than 1,800 pounds;
721 (iv) is designed to operate at low speeds; and
722 (v) is designed to carry not more than six persons including the driver.
- 723 (b) "Golf cart" does not include:
- 724 (i) a low-speed vehicle or an off-highway vehicle;
725 (ii) a motorized wheelchair;
726 (iii) an electric personal assistive mobility device;
727 (iv) an electric assisted bicycle;
728 (v) a motor assisted scooter;
729 (vi) a personal delivery device, as defined in Section 41-6a-1119; or
730 (vii) a mobile carrier, as defined in Section 41-6a-1120.
- 731 (27) "Gore area" means the area delineated by two solid white lines that is between a
732 continuing lane of a through roadway and a lane used to enter or exit the continuing lane
733 including similar areas between merging or splitting highways.
- 734 (28) "Gross weight" means the weight of a vehicle without a load plus the weight of any
735 load on the vehicle.
- 736 (29) "Hi-rail vehicle" means a roadway maintenance vehicle that is:
- 737 (a) manufactured to meet Federal Motor Vehicle Safety Standards; and
738 (b) equipped with retractable flanged wheels that allow the vehicle to travel on a
739 highway or railroad tracks.
- 740 (30) "Highway" means the entire width between property lines of every way or place of any
741 nature when any part of it is open to the use of the public as a matter of right for
742 vehicular travel.
- 743 (31) "Highway authority" means the same as that term is defined in Section 72-1-102.
- 744 (32)(a) "Intersection" means the area embraced within the prolongation or connection of

- 745 the lateral curb lines, or, if none, then the lateral boundary lines of the roadways of
746 two or more highways that join one another.
- 747 (b) Where a highway includes two roadways 30 feet or more apart:
- 748 (i) every crossing of each roadway of the divided highway by an intersecting
749 highway is a separate intersection; and
- 750 (ii) if the intersecting highway also includes two roadways 30 feet or more apart, then
751 every crossing of two roadways of the highways is a separate intersection.
- 752 (c) "Intersection" does not include the junction of an alley with a street or highway.
- 753 (33) "Island" means an area between traffic lanes or at an intersection for control of vehicle
754 movements or for pedestrian refuge designated by:
- 755 (a) pavement markings, which may include an area designated by two solid yellow lines
756 surrounding the perimeter of the area;
- 757 (b) channelizing devices;
- 758 (c) curbs;
- 759 (d) pavement edges; or
- 760 (e) other devices.
- 761 (34) "Lane filtering" means, when operating a motorcycle other than an autocycle, the act
762 of overtaking and passing another vehicle that is stopped in the same direction of travel
763 in the same lane.
- 764 (35) "Law enforcement agency" means the same as that term is as defined in Section
765 53-1-102.
- 766 (36) "Limited access highway" means a highway:
- 767 (a) that is designated specifically for through traffic; and
- 768 (b) over, from, or to which neither owners nor occupants of abutting lands nor other
769 persons have any right or easement, or have only a limited right or easement of
770 access, light, air, or view.
- 771 (37) "Local highway authority" means the legislative, executive, or governing body of a
772 county, municipal, or other local board or body having authority to enact laws relating to
773 traffic under the constitution and laws of the state.
- 774 (38)(a) "Low-speed vehicle" means a four wheeled motor vehicle that:
- 775 (i) is designed to be operated at speeds of not more than 25 miles per hour; and
- 776 (ii) has a capacity of not more than six passengers, including a conventional driver or
777 fallback-ready user if on board the vehicle, as those terms are defined in Section
778 41-26-102.1.

- 779 (b) "Low-speed vehicle" does not include a golfcart or an off-highway vehicle.
- 780 (39) "Metal tire" means a tire, the surface of which in contact with the highway is wholly or
781 partly of metal or other hard nonresilient material.
- 782 (40)(a) "Mini-motorcycle" means a motorcycle or motor-driven cycle that has a seat or
783 saddle that is less than 24 inches from the ground as measured on a level surface with
784 properly inflated tires.
- 785 (b) "Mini-motorcycle" does not include a moped or a motor assisted scooter.
- 786 (c) "Mini-motorcycle" does not include a motorcycle that is:
- 787 (i) designed for off-highway use; and
- 788 (ii) registered as an off-highway vehicle under Section 41-22-3.
- 789 (41) "Mobile home" means:
- 790 (a) a trailer or semitrailer that is:
- 791 (i) designed, constructed, and equipped as a dwelling place, living abode, or sleeping
792 place either permanently or temporarily; and
- 793 (ii) equipped for use as a conveyance on streets and highways; or
- 794 (b) a trailer or a semitrailer whose chassis and exterior shell is designed and constructed
795 for use as a mobile home, as defined in Subsection (41)(a), but that is instead used
796 permanently or temporarily for:
- 797 (i) the advertising, sale, display, or promotion of merchandise or services; or
- 798 (ii) any other commercial purpose except the transportation of property for hire or the
799 transportation of property for distribution by a private carrier.
- 800 (42) "Mobility disability" means the inability of a person to use one or more of the person's
801 extremities or difficulty with motor skills, that may include limitations with walking,
802 grasping, or lifting an object, caused by a neuro-muscular, orthopedic, or other condition.
- 803 (43)(a) "Moped" means a motor-driven cycle having:
- 804 (i) pedals to permit propulsion by human power; and
- 805 (ii) a motor that:
- 806 (A) produces not more than two brake horsepower; and
- 807 (B) is not capable of propelling the cycle at a speed in excess of 30 miles per hour
808 on level ground.
- 809 (b) If an internal combustion engine is used, the displacement may not exceed 50 cubic
810 centimeters and the moped shall have a power drive system that functions directly or
811 automatically without clutching or shifting by the operator after the drive system is
812 engaged.

- 813 (c) "Moped" does not include:
- 814 (i) an electric assisted bicycle; or
- 815 (ii) a motor assisted scooter.
- 816 (44)(a) "Motor assisted scooter" means a self-propelled device with:
- 817 (i) at least two wheels in contact with the ground;
- 818 (ii) a braking system capable of stopping the unit under typical operating conditions;
- 819 (iii) an electric motor not exceeding 2,000 watts;
- 820 (iv) either:
- 821 (A) handlebars and a deck design for a person to stand while operating the device;
- 822 or
- 823 (B) handlebars and a seat designed for a person to sit, straddle, or stand while
- 824 operating the device;
- 825 (v) a design for the ability to be propelled by human power alone; and
- 826 (vi) a maximum speed of 20 miles per hour on a paved level surface.
- 827 (b) "Motor assisted scooter" does not include:
- 828 (i) an electric assisted bicycle; or
- 829 (ii) a motor-driven cycle.
- 830 (45)(a) "Motor vehicle" means a vehicle that is self-propelled and a vehicle that is
- 831 propelled by electric power obtained from overhead trolley wires, but not operated
- 832 upon rails.
- 833 (b) "Motor vehicle" does not include:
- 834 (i) vehicles moved solely by human power;
- 835 (ii) motorized wheelchairs;
- 836 (iii) an electric personal assistive mobility device;
- 837 (iv) an electric assisted bicycle;
- 838 (v) a motor assisted scooter;
- 839 (vi) a personal delivery device, as defined in Section 41-6a-1119; or
- 840 (vii) a mobile carrier, as defined in Section 41-6a-1120.
- 841 (46) "Motorcycle" means:
- 842 (a) a motor vehicle, other than a tractor, having a seat or saddle for the use of the rider
- 843 and designed to travel with not more than three wheels in contact with the ground; or
- 844 (b) an auticycle.
- 845 (47)(a) "Motor-driven cycle" means a motorcycle, moped, and a motorized bicycle
- 846 having:

- 847 (i) an engine with less than 150 cubic centimeters displacement; or
 848 (ii) a motor that produces not more than five horsepower.
- 849 (b) "Motor-driven cycle" does not include:
- 850 (i) an electric personal assistive mobility device;
 851 (ii) a motor assisted scooter; or
 852 (iii) an electric assisted bicycle.
- 853 (48) "Off-highway implement of husbandry" means the same as that term is defined under
 854 Section 41-22-2.
- 855 (49) "Off-highway motorcycle" means the same as that term is defined in Section 41-22-2.
- 856 [~~49~~] (50) "Off-highway vehicle" means the same as that term is defined under Section
 857 41-22-2.
- 858 [~~50~~] (51) "Operate" means the same as that term is defined in Section 41-1a-102.
- 859 [~~51~~] (52) "Operator" means:
- 860 (a) a human driver, as defined in Section 41-26-102.1, that operates a vehicle; or
 861 (b) an automated driving system, as defined in Section 41-26-102.1, that operates a
 862 vehicle.
- 863 [~~52~~] (53) "Other on-track equipment" means a railroad car, hi-rail vehicle, rolling stock, or
 864 other device operated, alone or coupled with another device, on stationary rails.
- 865 [~~53~~] (54)(a) "Park" or "parking" means the standing of a vehicle, whether the vehicle is
 866 occupied or not.
- 867 (b) "Park" or "parking" does not include:
- 868 (i) the standing of a vehicle temporarily for the purpose of and while actually
 869 engaged in loading or unloading property or passengers; or
 870 (ii) a motor vehicle with an engaged automated driving system that has achieved a
 871 minimal risk condition, as those terms are defined in Section 41-26-102.1.
- 872 [~~54~~] (55) "Peace officer" means a peace officer authorized under Title 53, Chapter 13,
 873 Peace Officer Classifications, to direct or regulate traffic or to make arrests for
 874 violations of traffic laws.
- 875 [~~55~~] (56) "Pedestrian" means a person traveling:
- 876 (a) on foot; or
 877 (b) in a wheelchair.
- 878 [~~56~~] (57) "Pedestrian traffic-control signal" means a traffic-control signal used to regulate
 879 pedestrians.
- 880 [~~57~~] (58) "Person" means a natural person, firm, copartnership, association, corporation,

- 881 business trust, estate, trust, partnership, limited liability company, association, joint
882 venture, governmental agency, public corporation, or any other legal or commercial
883 entity.
- 884 [(58)] (59) "Pole trailer" means a vehicle without motive power:
- 885 (a) designed to be drawn by another vehicle and attached to the towing vehicle by means
886 of a reach, or pole, or by being boomed or otherwise secured to the towing vehicle;
887 and
- 888 (b) that is ordinarily used for transporting long or irregular shaped loads including poles,
889 pipes, or structural members generally capable of sustaining themselves as beams
890 between the supporting connections.
- 891 [(59)] (60) "Private road or driveway" means every way or place in private ownership and
892 used for vehicular travel by the owner and those having express or implied permission
893 from the owner, but not by other persons.
- 894 [(60)] (61) "Programmable electric assisted bicycle" means an electric assisted bicycle with
895 capability to switch or be programmed to function as a class 1 electric assisted bicycle,
896 class 2 electric assisted bicycle, or class 3 electric assisted bicycle, provided that the
897 electric assisted bicycle fully conforms with the respective requirements of each class of
898 electric assisted bicycle when operated in that mode.
- 899 [(61)] (62) "Railroad" means a carrier of persons or property upon cars operated on
900 stationary rails.
- 901 [(62)] (63) "Railroad sign or signal" means a sign, signal, or device erected by authority of a
902 public body or official or by a railroad and intended to give notice of the presence of
903 railroad tracks or the approach of a railroad train.
- 904 [(63)] (64) "Railroad train" means a locomotive propelled by any form of energy, coupled
905 with or operated without cars, and operated upon rails.
- 906 [(64)] (65) "Restored-modified vehicle" means the same as the term defined in Section
907 41-1a-102.
- 908 [(65)] (66) "Right-of-way" means the right of one vehicle or pedestrian to proceed in a
909 lawful manner in preference to another vehicle or pedestrian approaching under
910 circumstances of direction, speed, and proximity that give rise to danger of collision
911 unless one grants precedence to the other.
- 912 [(66)] (67)(a) "Roadway" means that portion of highway improved, designed, or
913 ordinarily used for vehicular travel.
- 914 (b) "Roadway" does not include the sidewalk, berm, or shoulder, even though any of

- 915 them are used by persons riding bicycles or other human-powered vehicles.
- 916 (c) "Roadway" refers to any roadway separately but not to all roadways collectively, if a
917 highway includes two or more separate roadways.
- 918 [(67)] (68) "Safety zone" means the area or space officially set apart within a roadway for
919 the exclusive use of pedestrians and that is protected, marked, or indicated by adequate
920 signs as to be plainly visible at all times while set apart as a safety zone.
- 921 [(68)] (69)(a) "School bus" means a motor vehicle that:
- 922 (i) complies with the color and identification requirements of the most recent edition
923 of "Minimum Standards for School Buses"; and
- 924 (ii) is used to transport school children to or from school or school activities.
- 925 (b) "School bus" does not include a vehicle operated by a common carrier in
926 transportation of school children to or from school or school activities.
- 927 [(69)] (70)(a) "Semitrailer" means a vehicle with or without motive power:
- 928 (i) designed for carrying persons or property and for being drawn by a motor vehicle;
929 and
- 930 (ii) constructed so that some part of its weight and that of its load rests on or is
931 carried by another vehicle.
- 932 (b) "Semitrailer" does not include a pole trailer.
- 933 [(70)] (71) "Shoulder area" means:
- 934 (a) that area of the hard-surfaced highway separated from the roadway by a pavement
935 edge line as established in the current approved "Manual on Uniform Traffic Control
936 Devices"; or
- 937 (b) that portion of the road contiguous to the roadway for accommodation of stopped
938 vehicles, for emergency use, and for lateral support.
- 939 [(71)] (72) "Sidewalk" means that portion of a street between the curb lines, or the lateral
940 lines of a roadway, and the adjacent property lines intended for the use of pedestrians.
- 941 [(72)] (73)(a) "Soft-surface trail" means a marked trail surfaced with sand, rock, or dirt
942 that is designated for the use of a bicycle.
- 943 (b) "Soft-surface trail" does not mean a trail:
- 944 (i) where the use of a motor vehicle or an electric assisted bicycle is prohibited by a
945 federal law, regulation, or rule; or
- 946 (ii) located in whole or in part on land granted to the state or a political subdivision
947 subject to a conservation easement that prohibits the use of a motorized vehicle.
- 948 [(73)] (74) "Solid rubber tire" means a tire of rubber or other resilient material that does not

- 949 depend on compressed air for the support of the load.
- 950 ~~[(74)]~~ (75) "Stand" or "standing" means the temporary halting of a vehicle, whether
- 951 occupied or not, for the purpose of and while actually engaged in receiving or
- 952 discharging passengers.
- 953 ~~[(75)]~~ (76) "Stop" when required means complete cessation from movement.
- 954 ~~[(76)]~~ (77) "Stop" or "stopping" when prohibited means any halting even momentarily of a
- 955 vehicle, whether occupied or not, except when:
- 956 (a) necessary to avoid conflict with other traffic; or
- 957 (b) in compliance with the directions of a peace officer or traffic-control device.
- 958 ~~[(77)]~~ (78) "Street-legal all-terrain vehicle" or "street-legal ATV" means an all-terrain type I
- 959 vehicle, all-terrain type II vehicle, or all-terrain type III vehicle, or an off-highway
- 960 motorcycle, that is modified to meet the requirements of Section 41-6a-1509 to operate
- 961 on highways in the state in accordance with Section 41-6a-1509.
- 962 ~~[(78)]~~ (79) "Street-legal novel vehicle" means a vehicle registered as a novel vehicle under
- 963 Section 41-27-201 that is modified to meet the requirements of Section 41-6a-1509 to
- 964 operate on highways in the state in accordance with with Section 41-6a-1509.
- 965 ~~[(79)]~~ (80) "Tow truck operator" means the same as that term is defined in Section 72-9-102.
- 966 ~~[(80)]~~ (81) "Tow truck motor carrier" means the same as that term is defined in Section
- 967 72-9-102.
- 968 ~~[(81)]~~ (82) "Traffic" means pedestrians, ridden or herded animals, vehicles, and other
- 969 conveyances either singly or together while using any highway for the purpose of travel.
- 970 ~~[(82)]~~ (83) "Traffic signal preemption device" means an instrument or mechanism designed,
- 971 intended, or used to interfere with the operation or cycle of a traffic-control signal.
- 972 ~~[(83)]~~ (84) "Traffic-control device" means a sign, signal, marking, or device not inconsistent
- 973 with this chapter placed or erected by a highway authority for the purpose of regulating,
- 974 warning, or guiding traffic.
- 975 ~~[(84)]~~ (85) "Traffic-control signal" means a device, whether manually, electrically, or
- 976 mechanically operated, by which traffic is alternately directed to stop and permitted to
- 977 proceed.
- 978 ~~[(85)]~~ (86)(a) "Trailer" means a vehicle with or without motive power designed for
- 979 carrying persons or property and for being drawn by a motor vehicle and constructed
- 980 so that no part of its weight rests upon the towing vehicle.
- 981 (b) "Trailer" does not include a pole trailer.
- 982 ~~[(86)]~~ (87) "Truck" means a motor vehicle designed, used, or maintained primarily for the

983 transportation of property.

984 [(87)] (88) "Truck tractor" means a motor vehicle:

985 (a) designed and used primarily for drawing other vehicles; and

986 (b) constructed to carry a part of the weight of the vehicle and load drawn by the truck
987 tractor.

988 [(88)] (89) "Two-way left turn lane" means a lane:

989 (a) provided for vehicle operators making left turns in either direction;

990 (b) that is not used for passing, overtaking, or through travel; and

991 (c) that has been indicated by a lane traffic-control device that may include lane
992 markings.

993 [(89)] (90) "Urban district" means the territory contiguous to and including any street, in
994 which structures devoted to business, industry, or dwelling houses are situated at
995 intervals of less than 100 feet, for a distance of a quarter of a mile or more.

996 [(90)] (91) "Vehicle" means a device in, on, or by which a person or property is or may be
997 transported or drawn on a highway, except a mobile carrier, as defined in Section
998 41-6a-1120, or a device used exclusively on stationary rails or tracks.

999 Section 7. Section **41-6a-1509** is amended to read:

1000 **41-6a-1509 . Street-legal all-terrain vehicle -- Operation on highways --**

1001 **Registration and licensing requirements -- Equipment requirements.**

1002 (1)(a) Except as provided in Subsection (1)(b), an individual may operate an all-terrain
1003 type I vehicle, all-terrain type II vehicle, or all-terrain type III vehicle, or an
1004 off-highway motorcycle, that meets the requirements of this section as a street-legal
1005 ATV on a street or highway.

1006 (b) An individual may not operate an all-terrain type I vehicle, all-terrain type II vehicle,
1007 or all-terrain type III vehicle, or an off-highway motorcycle, as a street-legal ATV on
1008 a highway if:

1009 (i) the highway is an interstate system as defined in Section 72-1-102; or

1010 (ii) the highway is in a county of the first class and both of the following criterion is
1011 met:

1012 (A) the highway is near a grade separated portion of the highway; and

1013 (B) the highway has a posted speed limit higher than 50 miles per hour.

1014 (c) Nothing in this section authorizes the operation of a street-legal ATV in an area that
1015 is not open to motor vehicle use.

1016 (2)(a) Except as provided in Subsection (2)(b), an individual may operate a vehicle that

- 1017 is registered as a novel vehicle on a street or highway, if the vehicle meets the
1018 requirements of this section as a street-legal novel vehicle.
- 1019 (b) An individual may not operate a vehicle registered as a novel vehicle as a street-legal
1020 novel vehicle on a highway if:
- 1021 (i) the highway is an interstate system as defined in Section 72-1-102; or
1022 (ii) the highway is in a county of the first class and both of the following criterion are
1023 met:
- 1024 (A) the highway is near a grade separated portion of the highway; and
1025 (B) the highway has a posted speed limit higher than 50 miles per hour.
- 1026 (c) Nothing in this section authorizes the operation of a street-legal novel vehicle in an
1027 area that is not open to motor vehicle use.
- 1028 (3) A street-legal ATV shall comply with Section 59-2-405.2, Subsection 41-1a-205(1),
1029 Subsection 53-8-205(1)(b), and the same requirements as:
- 1030 (a) a motorcycle for:
- 1031 (i) traffic rules under this chapter;
1032 (ii) titling, odometer statement, vehicle identification, license plates, and registration,
1033 excluding registration fees, under Chapter 1a, Motor Vehicle Act; and
1034 (iii) the county motor vehicle emissions inspection and maintenance programs under
1035 Section 41-6a-1642;
- 1036 (b) a motor vehicle for:
- 1037 (i) driver licensing under Title 53, Chapter 3, Uniform Driver License Act; and
1038 (ii) motor vehicle insurance under Chapter 12a, Financial Responsibility of Motor
1039 Vehicle Owners and Operators Act; and
- 1040 (c) an all-terrain type I or type II vehicle, or an off-highway motorcycle, for off-highway
1041 vehicle provisions under Chapter 22, Off-highway Vehicles, and Chapter 3, Motor
1042 Vehicle Business Regulation Act, unless otherwise specified in this section.
- 1043 (4) A street-legal novel vehicle shall comply with Subsection 41-1a-205(1), Subsection
1044 53-8-205(1)(b), and the requirements for registration as a novel vehicle under Section
1045 41-27-201.
- 1046 (5)(a) The owner of an all-terrain type I vehicle or an off-highway motorcycle being
1047 operated as a street-legal ATV shall ensure that the vehicle is equipped with:
- 1048 (i) one or more headlamps that meet the requirements of Section 41-6a-1603;
1049 (ii) one or more tail lamps;
1050 (iii) a tail lamp or other lamp constructed and placed to illuminate the registration

- 1051 plate with a white light;
- 1052 (iv) one or more red reflectors on the rear;
- 1053 (v) one or more stop lamps on the rear;
- 1054 (vi) amber or red electric turn signals, one on each side of the front and rear;
- 1055 (vii) a braking system, other than a parking brake, that meets the requirements of
- 1056 Section 41-6a-1623;
- 1057 (viii) a horn or other warning device that meets the requirements of Section
- 1058 41-6a-1625;
- 1059 (ix) a muffler and emission control system that meets the requirements of Section
- 1060 41-6a-1626;
- 1061 (x) rearview mirrors on the right and left side of the driver in accordance with Section
- 1062 41-6a-1627;
- 1063 (xi) a windshield, unless the operator wears eye protection while operating the
- 1064 vehicle;
- 1065 (xii) a speedometer, illuminated for nighttime operation;
- 1066 (xiii) for vehicles designed by the manufacturer for carrying one or more passengers,
- 1067 a seat designed for passengers; and
- 1068 (xiv) tires that:
- 1069 (A) are not larger than the tires that the all-terrain vehicle manufacturer made
- 1070 available for the all-terrain vehicle model; and
- 1071 (B) have at least 2/32 inches or greater tire tread.
- 1072 (b) The owner of an all-terrain type II vehicle or all-terrain type III vehicle being
- 1073 operated as a street-legal all-terrain vehicle or of a vehicle registered as a novel
- 1074 vehicle being operated as a street-legal novel vehicle shall ensure that the vehicle is
- 1075 equipped with:
- 1076 (i) two headlamps that meet the requirements of Section 41-6a-1603;
- 1077 (ii) two tail lamps;
- 1078 (iii) a tail lamp or other lamp constructed and placed to illuminate the registration
- 1079 plate with a white light;
- 1080 (iv) one or more red reflectors on the rear;
- 1081 (v) two stop lamps on the rear;
- 1082 (vi) amber or red electric turn signals, one on each side of the front and rear;
- 1083 (vii) a braking system, other than a parking brake, that meets the requirements of
- 1084 Section 41-6a-1623;

- 1085 (viii) a horn or other warning device that meets the requirements of Section
1086 41-6a-1625;
- 1087 (ix) a muffler and emission control system that meets the requirements of Section
1088 41-6a-1626;
- 1089 (x) rearview mirrors on the right and left side of the driver in accordance with Section
1090 41-6a-1627;
- 1091 (xi) a windshield, unless the operator wears eye protection while operating the
1092 vehicle;
- 1093 (xii) a speedometer, illuminated for nighttime operation;
- 1094 (xiii) for vehicles designed by the manufacturer for carrying one or more passengers,
1095 a seat designed for passengers;
- 1096 (xiv) for vehicles with side-by-side or tandem seating, seatbelts for each vehicle
1097 occupant;
- 1098 (xv) a seat with a height between 20 and 40 inches when measured at the forward
1099 edge of the seat bottom; and
- 1100 (xvi) tires that:
- 1101 (A) do not exceed 44 inches in height; and
1102 (B) have at least 2/32 inches or greater tire tread.
- 1103 (c) The owner of a street-legal all-terrain vehicle is not required to equip the vehicle with
1104 wheel covers, mudguards, flaps, or splash aprons.
- 1105 (6)(a) Subject to the requirements of Subsection (6)(b), an operator of a street-legal
1106 all-terrain vehicle, when operating a street-legal all-terrain vehicle on a highway, may
1107 not exceed the lesser of:
- 1108 (i) the posted speed limit; or
1109 (ii) 50 miles per hour.
- 1110 (b) An operator of a street-legal all-terrain vehicle, when operating a street-legal
1111 all-terrain vehicle on a highway with a posted speed limit higher than 50 miles per
1112 hour, shall:
- 1113 (i) operate the street-legal all-terrain vehicle on the extreme right hand side of the
1114 roadway; and
1115 (ii) equip the street-legal all-terrain vehicle with a reflector or reflective tape to the
1116 front and back of both sides of the vehicle.
- 1117 (7)(a) Subject to the requirements of Subsection (7)(b), an operator of a street-legal
1118 novel vehicle, when operating as a street-legal novel vehicle on a highway, may not

- 1119 exceed the lesser of:
- 1120 (i) the posted speed limit; or
- 1121 (ii) 50 miles per hour.
- 1122 (b) An operator of a street-legal novel vehicle, when operating a street-legal novel
- 1123 vehicle on a highway with a posted speed limit higher than 50 miles per hour, shall:
- 1124 (i) operate the street-legal novel vehicle on the extreme right hand side of the
- 1125 roadway; and
- 1126 (ii) equip the street-legal novel vehicle with a reflector or reflective tape to the front
- 1127 and back of both sides of the vehicle.
- 1128 (8)(a) A nonresident operator of an off-highway vehicle that is authorized to be
- 1129 operated on the highways of another state has the same rights and privileges as a
- 1130 street-legal ATV or street-legal novel vehicle that is granted operating privileges on
- 1131 the highways of this state, subject to the restrictions under this section and rules made
- 1132 by the Division of Outdoor Recreation, after notifying the Outdoor Adventure
- 1133 Commission, if the other state offers reciprocal operating privileges to Utah residents.
- 1134 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 1135 Division of Outdoor Recreation, after notifying the Outdoor Adventure Commission,
- 1136 shall establish eligibility requirements for reciprocal operating privileges for
- 1137 nonresident users granted under Subsection (8)(a).
- 1138 (9) Nothing in this chapter restricts the owner of an off-highway vehicle from operating the
- 1139 off-highway vehicle in accordance with Section 41-22-10.5.
- 1140 (10) A violation of this section is an infraction.
- 1141 Section 8. Section **41-12a-804** is amended to read:
- 1142 **41-12a-804 . Notice -- Proof -- Revocation of registration -- False statements --**
- 1143 **Penalties -- Exemptions -- Sales tax enforcement.**
- 1144 (1) [Hf] Subject to Subsection (3), if the comparison under Section 41-12a-803 shows that a
- 1145 motor vehicle [or motorboat] is not insured for three consecutive months, or a motorboat
- 1146 is not insured for two consecutive months, the Motor Vehicle Division shall direct that
- 1147 the designated agent provide notice to the owner of the motor vehicle or motorboat that
- 1148 the owner has 15 days to provide:
- 1149 (a) proof of owner's or operator's security in a form allowed under Subsection
- 1150 41-12a-303.2(2); or
- 1151 (b) proof of exemption from the owner's or operator's security requirements.
- 1152 (2) [Hf] Subject to Subsection (3), if an owner of a motor vehicle or motorboat fails to

1153 provide satisfactory proof of owner's or operator's security to the designated agent, the
1154 designated agent shall:

- 1155 (a) provide a second notice to the owner of the motor vehicle or motorboat that the
1156 owner now has 15 days to provide:
- 1157 (i) proof of owner's or operator's security in a form allowed under Subsection
1158 41-12a-303.2(2); or
- 1159 (ii) proof of exemption from the owner's or operator's security requirements;
- 1160 (b) for each notice provided, indicate information relating to the owner's failure to
1161 provide proof of owner's or operator's security in the database; and
- 1162 (c) provide this information to state and local law enforcement agencies as requested in
1163 accordance with the provisions under Section 41-12a-805.

1164 (3)(a) Except as provided in Subsection (3)(b), for a motorboat, Subsections (1) and (2)
1165 only apply during the months of April through October.

1166 (b) For a motorboat, the designated agent shall comply with the requirement described in
1167 Subsection (2)(c) year-round.

1168 [~~3~~] (4)(a) The Motor Vehicle Division:

1169 [~~(a)~~] (i) shall revoke the registration upon receiving notification under Subsection
1170 41-1a-110(2);

1171 [~~(b)~~] (ii) shall provide appropriate notices of the revocation, the legal consequences of
1172 operating a vehicle with revoked registration and without owner's or operator's
1173 security, and instructions on how to get the registration reinstated; and

1174 [~~(e)~~] (iii) may direct the designated agent to provide the notices under this Subsection [
1175 ~~3~~] (4)(a).

1176 (b) For a motorboat, Subsection (4)(a) only applies during the months of April through
1177 October.

1178 [~~4~~] (5) Any action by the Motor Vehicle Division to revoke the registration of a motor
1179 vehicle or motorboat under this section may be in addition to an action by a law
1180 enforcement agency to impose the penalties under Section 41-12a-302 or 41-12a-303.2.

1181 [~~5~~] (6)(a) A person may not provide a false or fraudulent statement to the Motor
1182 Vehicle Division or designated agent.

1183 (b) In addition to any other penalties, a person who violates Subsection [~~5~~](a) (6)(a) is
1184 guilty of a class B misdemeanor.

1185 [~~6~~] (7) The department and the Motor Vehicle Division shall direct the designated agent to
1186 exempt from this section a farm truck that:

- 1187 (a) meets the definition of a farm truck under Section 41-1a-102; and
 1188 (b) is registered as a farm truck under Title 41, Chapter 1a, Motor Vehicle Act.

1189 ~~[(7)]~~ (8) This part does not affect other actions or penalties that may be taken or imposed for
 1190 violation of the owner's and operator's security requirements of this chapter.

1191 ~~[(8)]~~ (9) If a comparison under Section 41-12a-803 shows that a motor vehicle or motorboat
 1192 may not be in compliance with motor vehicle or motorboat registration or sales and use
 1193 tax laws, the Motor Vehicle Division may direct that the designated agent provide notice
 1194 to the owner of a motor vehicle or motorboat that information exists which indicates the
 1195 possible violation.

1196 Section 9. Section **41-22-2** is amended to read:

1197 **41-22-2 . Definitions.**

1198 As used in this chapter:

- 1199 (1) "Advisory council" means an advisory council appointed by the Division of Outdoor
 1200 Recreation that has within the advisory council's duties advising on policies related to
 1201 the use of off-highway vehicles.
- 1202 (2) "All-terrain type I vehicle" means any motor vehicle 52 inches or less in width, having
 1203 an unladen dry weight of 1,500 pounds or less, traveling on three or more low pressure
 1204 tires, having a seat designed to be straddled by the operator, and designed for or capable
 1205 of travel over unimproved terrain.
- 1206 (3)(a) "All-terrain type II vehicle" means any motor vehicle 80 inches or less in width,
 1207 traveling on four or more low pressure tires, having a steering wheel, non-straddle
 1208 seating, a rollover protection system, and designed for or capable of travel over
 1209 unimproved terrain, and is:
- 1210 (i) an electric-powered vehicle; or
 1211 (ii) a vehicle powered by an internal combustion engine and has an unladen dry
 1212 weight of 3,500 pounds or less.
- 1213 (b) "All-terrain type II vehicle" does not include golf carts, any vehicle designed to carry
 1214 a person with a disability, any vehicle not specifically designed or modified primarily
 1215 for recreational use on unimproved terrain, or farm tractors as defined under Section
 1216 41-1a-102.
- 1217 (4)(a) "All-terrain type III vehicle" means any other motor vehicle, not defined in
 1218 Subsection (2), (3), (12), or ~~[(22)]~~ (23), designed for or capable of travel over
 1219 unimproved terrain.
- 1220 (b) "All-terrain type III vehicle" does not include golf carts, any vehicle designed to

- 1221 carry a person with a disability, any vehicle not specifically designed or modified
 1222 primarily for recreational use on unimproved terrain, or farm tractors as defined
 1223 under Section 41-1a-102.
- 1224 (5) "Commission" means the Outdoor Adventure Commission.
- 1225 (6) "Cross-country" means across natural terrain and off an existing highway, road, route,
 1226 or trail.
- 1227 (7) "Dealer" means a person engaged in the business of selling off-highway vehicles at
 1228 wholesale or retail.
- 1229 (8) "Division" means the Division of Outdoor Recreation.
- 1230 (9) "Low pressure tire" means any pneumatic tire six inches or more in width designed for
 1231 use on wheels with rim diameter of 14 inches or less and utilizing an operating pressure
 1232 of 10 pounds per square inch or less as recommended by the vehicle manufacturer.
- 1233 (10) "Manufacturer" means a person engaged in the business of manufacturing off-highway
 1234 vehicles.
- 1235 (11)(a) "Motor vehicle" means every vehicle which is self-propelled.
- 1236 (b) "Motor vehicle" includes an off-highway vehicle.
- 1237 (12) "Motorcycle" means every motor vehicle having a saddle for the use of the operator
 1238 and designed to travel on not more than two tires.
- 1239 (13) "Off-highway implement of husbandry" means every all-terrain type I vehicle,
 1240 all-terrain type II vehicle, all-terrain type III vehicle, [-] off-highway motorcycle, or
 1241 snowmobile that is used by the owner or the owner's agent for agricultural operations.
- 1242 (14) "Off-highway motorcycle" means an off-highway vehicle that is a motorcycle and is
 1243 designed for use primarily off-highway.
- 1244 [~~(14)~~] (15) "Off-highway vehicle" means any snowmobile, all-terrain type I vehicle,
 1245 all-terrain type II vehicle, all-terrain type III vehicle, or off-highway motorcycle.
- 1246 [~~(15)~~] (16) "Operate" means to control the movement of or otherwise use an off-highway
 1247 vehicle.
- 1248 [~~(16)~~] (17) "Operator" means the person who is in actual physical control of an off-highway
 1249 vehicle.
- 1250 [~~(17)~~] (18) "Organized user group" means an off-highway vehicle organization incorporated
 1251 as a nonprofit corporation in the state under Title 16, Chapter 6a, Utah Revised
 1252 Nonprofit Corporation Act, for the purpose of promoting the interests of off-highway
 1253 vehicle recreation.
- 1254 [~~(18)~~] (19) "Owner" means a person, other than a person with a security interest, having a

1255 property interest or title to an off-highway vehicle and entitled to the use and possession
1256 of that vehicle.

1257 [(19)] (20) "Public land" means land owned or administered by any federal or state agency
1258 or any political subdivision of the state.

1259 [(20)] (21) "Register" means the act of assigning a registration number to an off-highway
1260 vehicle.

1261 [(21)] (22) "Roadway" is used as defined in Section 41-6a-102.

1262 [(22)] (23) "Snowmobile" means any motor vehicle designed for travel on snow or ice and
1263 steered and supported in whole or in part by skis, belts, cleats, runners, or low pressure
1264 tires, and equipped with a saddle or seat for the use of the rider.

1265 [(23)] (24) "Street or highway" means the entire width between boundary lines of every way
1266 or place of whatever nature, when any part of it is open to the use of the public for
1267 vehicular travel.

1268 [(24)] (25) "Street-legal all-terrain vehicle" or "street-legal ATV" has the same meaning as
1269 defined in Section 41-6a-102.

1270 Section 10. Section **41-22-3** is amended to read:

1271 **41-22-3 . Registration of vehicles -- Application -- Issuance of sticker and card --**
1272 **Proof of property tax payment -- Records.**

1273 (1)(a) Unless exempted under Section 41-22-9, a person may not operate or place and
1274 an owner may not give another person permission to operate or place any
1275 off-highway vehicle on any public land, trail, street, or highway in this state unless
1276 the off-highway vehicle is registered under this chapter for the current year.

1277 (b) Unless exempted under Section 41-22-9, a dealer may not sell an off-highway
1278 vehicle which can be used on any public land, trail, street, or highway in this state,
1279 unless the off-highway vehicle is registered or is in the process of being registered
1280 under this chapter for the current year.

1281 (c) Unless specifically provided in this chapter, the division shall administer license
1282 plates, decals, and registration of off-highway vehicles in accordance with Chapter
1283 1a, Motor Vehicle Act.

1284 (2)(a) The owner of an off-highway vehicle subject to registration under this chapter
1285 shall apply to the Motor Vehicle Division for registration on forms approved by the
1286 Motor Vehicle Division.

1287 (b) An owner of an off-highway vehicle may apply for automatic registration renewal as
1288 described in Section 41-1a-216.

- 1289 (3) Each application for registration of an off-highway vehicle shall be accompanied by:
- 1290 (a) evidence of ownership, a title, or a manufacturer's certificate of origin, and a bill of
- 1291 sale showing ownership, make, model, horsepower or displacement, and serial
- 1292 number;
- 1293 (b) the past registration card; or
- 1294 (c) the fee for a duplicate.
- 1295 (4)(a)(i) Beginning on January 1, 2023, except as provided in Subsection (4)(e), the
- 1296 first time an off-highway vehicle is registered, the Motor Vehicle Division shall
- 1297 issue one off-highway vehicle license plate, a registration decal, and a registration
- 1298 card.
- 1299 (ii) If an off-highway vehicle has been registered previously in this state but has not
- 1300 been issued an off-highway vehicle license plate, beginning on January 1, 2023,
- 1301 upon application for registration renewal, the Motor Vehicle Division shall issue
- 1302 one off-highway vehicle license plate, a registration decal, and a registration card.
- 1303 (b) Upon each annual registration, the Motor Vehicle Division shall issue a registration
- 1304 decal and a registration card for each off-highway vehicle registered.
- 1305 (c) The off-highway vehicle license plate:
- 1306 (i) shall contain a unique five-digit number, using numbers, letters, or a combination
- 1307 of numbers and letters, to identify the off-highway vehicle for which it is issued;
- 1308 (ii) shall be affixed to the rear of the off-highway vehicle for which it is issued in a
- 1309 plainly visible and upright position as prescribed by rule of the division under
- 1310 Section 41-22-5.1;
- 1311 (iii) shall be maintained free of foreign materials and in a condition to be clearly
- 1312 legible;
- 1313 (iv) shall be a distinct tan color with black lettering to identify the license plate as an
- 1314 off-highway vehicle license plate;
- 1315 (v) shall have a location to attach the registration decal; and
- 1316 (vi) may not be a personalized license plate or a special group license plate.
- 1317 (d)(i) At all times, proof of registration shall be kept with the off-highway vehicle
- 1318 and shall be available for inspection by a law enforcement officer.
- 1319 (ii) An individual may show proof of registration by displaying:
- 1320 (A) a digital copy or photograph of the registration card on a mobile electronic
- 1321 device;
- 1322 (B) proof of registration on a mobile electronic device through a mobile

- 1323 application approved by the relevant state agency; or
- 1324 (C) an original registration card issued by the Motor Vehicle Division.
- 1325 (e) An off-highway vehicle that is [a] an off-highway motorcycle or a snowmobile is:
- 1326 (i) not required to obtain or display an off-highway vehicle license plate; and
- 1327 (ii) required to obtain and display an off-highway vehicle registration sticker.
- 1328 (5)(a) Except as provided by Subsection (5)(c), an applicant for a registration card and
- 1329 registration decal shall provide the Motor Vehicle Division a certificate, described
- 1330 under Subsection (5)(b), from the county assessor of the county in which the
- 1331 off-highway vehicle has situs for taxation.
- 1332 (b) The certificate required under Subsection (5)(a) shall state one of the following:
- 1333 (i) the property tax on the off-highway vehicle for the current year has been paid;
- 1334 (ii) in the county assessor's opinion, the tax is a lien on real property sufficient to
- 1335 secure the payment of the tax; or
- 1336 (iii) the off-highway vehicle is exempt by law from payment of property tax for the
- 1337 current year.
- 1338 (c) An off-highway vehicle for which an off-highway implement of husbandry sticker
- 1339 has been issued in accordance with Section 41-22-5.5 is:
- 1340 (i) exempt from the requirement under this Subsection (5);
- 1341 (ii) not required to obtain or purchase an off-highway vehicle license plate; and
- 1342 (iii) required to obtain and display an off-highway vehicle registration sticker.
- 1343 (6)(a) All records of the division made or kept under this section shall be classified by
- 1344 the Motor Vehicle Division in the same manner as motor vehicle records are
- 1345 classified under Section 41-1a-116.
- 1346 (b) Division records are available for inspection in the same manner as motor vehicle
- 1347 records under Section 41-1a-116.
- 1348 (7) A violation of this section is an infraction.
- 1349 Section 11. Section **41-22-5.5** is amended to read:
- 1350 **41-22-5.5 . Off-highway husbandry vehicles.**
- 1351 (1)(a)(i) The owner of an all-terrain type I vehicle, off-highway motorcycle,
- 1352 all-terrain type II vehicle, all-terrain type III vehicle, or snowmobile used for
- 1353 agricultural purposes may apply to the Motor Vehicle Division for an off-highway
- 1354 implement of husbandry sticker.
- 1355 (ii) Each application under Subsection (1)(a)(i) shall be accompanied by:
- 1356 (A) evidence of ownership;

- 1357 (B) a title or a manufacturer's certificate of origin; and
 1358 (C) a signed statement certifying that the off-highway vehicle is used for
 1359 agricultural purposes.
- 1360 (iii) The owner shall receive an off-highway implement of husbandry sticker upon
 1361 production of:
- 1362 (A) the documents required under this Subsection (1); and
 1363 (B) payment of an off-highway implement of husbandry sticker fee established by
 1364 the division, after notifying the commission, not to exceed \$10.
- 1365 (b) If the vehicle is also used for recreational purposes on public lands, trails, streets, or
 1366 highways, it shall also be registered under Section 41-22-3.
- 1367 (c) The off-highway implement of husbandry sticker shall be displayed in a manner
 1368 prescribed by the division and shall identify the all-terrain type I vehicle, off-highway
 1369 motorcycle, all-terrain type II vehicle, all-terrain type III vehicle, or snowmobile as
 1370 an off-highway implement of husbandry.
- 1371 (2) The off-highway implement of husbandry sticker is valid only for the life of the
 1372 ownership of the all-terrain type I vehicle, off-highway motorcycle, all-terrain type II
 1373 vehicle, all-terrain type III vehicle, or snowmobile and is not transferable.
- 1374 (3) The off-highway implement of husbandry sticker is valid for an all-terrain type I
 1375 vehicle, off-highway motorcycle, all-terrain type II vehicle, all-terrain type III vehicle,
 1376 or snowmobile that is being operated adjacent to a roadway:
- 1377 (a) when the all-terrain type I vehicle, off-highway motorcycle, all-terrain type II
 1378 vehicle, all-terrain type III vehicle, or snowmobile is only being used to travel from
 1379 one parcel of land owned, operated, permitted, or leased for agricultural purposes by
 1380 the owner of the vehicle to another parcel of land owned, operated, permitted, or
 1381 leased for agricultural purposes by the owner; and
- 1382 (b) when this operation is necessary for the furtherance of agricultural purposes.
- 1383 (4) If the operation of an off-highway implement of husbandry adjacent to a roadway is
 1384 impractical, it may be operated on the roadway if the operator exercises due care
 1385 towards conventional motor vehicle traffic.
- 1386 (5) It is unlawful to operate an off-highway implement of husbandry along, across, or
 1387 within the boundaries of an interstate freeway.
- 1388 (6) A violation of this section is an infraction.

1389 Section 12. Section **41-22-10.7** is amended to read:

1390 **41-22-10.7 . Vehicle equipment requirements -- Rulemaking -- Exceptions.**

1391 (1) Except as provided under Subsection (3), an off-highway vehicle shall be equipped with:

1392 (a) brakes adequate to control the movement of and to stop and hold the vehicle under
1393 normal operating conditions;

1394 (b) headlights and taillights when operated between sunset and sunrise;

1395 (c) a noise control device and except for a snowmobile, a spark arrestor device; and

1396 (d) when operated on sand dunes designated by the division, a safety flag that is:

1397 (i) red or orange in color;

1398 (ii) a minimum of six by 12 inches; and

1399 (iii) attached to:

1400 (A) the off-highway vehicle so that the safety flag is at least eight feet above the
1401 surface of level ground; or

1402 (B) the protective headgear of a person operating [a] an off-highway motorcycle so
1403 that the safety flag is at least 18 inches above the top of the person's head.

1404 (2) A violation of Subsection (1) is an infraction.

1405 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1406 division may make rules, after notifying the commission, which set standards for the
1407 equipment and which designate sand dunes where safety flags are required under
1408 Subsection (1).

1409 (4) An off-highway implement of husbandry used only in agricultural operations and not
1410 operated on a highway, is exempt from the provisions of this section.

1411 Section 13. Section **41-22-10.8** is amended to read:

1412 **41-22-10.8 . Protective headgear requirements -- Owner duty -- Penalty for**
1413 **violation.**

1414 (1) A person under the age of 18 may not operate or ride on [~~all-terrain type I vehicles,~~
1415 ~~snowmobiles, or motoreycles~~] an all-terrain type I vehicle, a snowmobile, or an
1416 off-highway motorcycle on public land unless the person is wearing a properly fitted and
1417 fastened, United States Department of Transportation safety-rated protective headgear
1418 designed for motorized vehicle use.

1419 (2) The owner of an off-highway vehicle or any other person may not give permission to a
1420 person who is under 18 years [~~of age~~] old to operate or ride on an off-highway vehicle in
1421 violation of this section.

1422 (3) An operator and passengers of off-highway implements of husbandry operated in the
1423 manner prescribed by Subsections 41-22-5.5(3) and (4) are exempt from the
1424 requirements of this section.

- 1425 (4) Any person convicted of violations of this section is guilty of an infraction and shall be
 1426 fined not more than \$50 per offense.
- 1427 (5) A court shall waive \$8 of a fine charged for a violation of Title 41, Chapter 22,
 1428 Off-highway Vehicles, to a person operating an off-highway vehicle on public land if
 1429 the person was:
- 1430 (a) 18 years [~~of age~~] old or older at the time of operation; and
 1431 (b) wearing protective headgear that complies with the requirements described under
 1432 Subsection (1) at the time of operation.
- 1433 (6) The failure to wear protective headgear:
 1434 (a) does not constitute contributory or comparative negligence on the part of a person
 1435 seeking recovery for injuries; and
 1436 (b) may not be introduced as evidence in any civil litigation on the issue of negligence,
 1437 injuries, or the mitigation of damages.
- 1438 (7) Notwithstanding Subsection (5), a court may not waive \$8 of a fine charged to a person
 1439 operating an off-highway vehicle on public land for a driving under the influence
 1440 violation of Section 41-6a-502.
- 1441 Section 14. Section **51-9-902** is amended to read:
 1442 **51-9-902 . Outdoor Adventure Infrastructure Restricted Account.**
- 1443 (1) There is created within the General Fund a restricted account known as the "Outdoor
 1444 Adventure Infrastructure Restricted Account."
- 1445 (2) The account shall consist of:
 1446 (a) money deposited into the account under Subsection [~~59-12-103(15)~~] 59-12-103(4)(h);
 1447 and
 1448 (b) interest and earnings on money in the account.
- 1449 (3) Subject to appropriation from the Legislature, money from the account shall be used for:
 1450 (a) new construction of outdoor recreation infrastructure;
 1451 (b) upgrades of outdoor recreation infrastructure;
 1452 (c) the replacement of or structural improvements to outdoor recreation infrastructure;
 1453 (d) the acquisition of land, a right-of-way, or easement used in relationship to outdoor
 1454 recreation infrastructure;
 1455 (e) providing access from state highways, as defined in Section 72-1-102, to outdoor
 1456 recreation infrastructure;
 1457 (f) the costs associated with bringing new construction or upgrades of outdoor
 1458 recreation infrastructure into environmental compliance;

- 1459 (g) strategic planning related to the development of outdoor recreation infrastructure; or
 1460 (h) facilitating avalanche safety forecasting to protect the public in relation to outdoor
 1461 recreation infrastructure.
- 1462 (4) For each fiscal year, beginning with fiscal year 2023-2024, the Division of Finance
 1463 shall, subject to appropriation by the Legislature, distribute money from the Outdoor
 1464 Adventure Infrastructure Restricted Account as follows:
- 1465 (a) at least 15% to the Department of Natural Resources - Division of State Parks -
 1466 Capital, to be expended using the department's existing prioritization process for
 1467 capital projects in state parks described in Subsection (3);
- 1468 (b) at least 22% to the Department of Natural Resources - Division of Outdoor
 1469 Recreation - Capital, to be expended for competitive Recreation Restoration
 1470 Infrastructure grants or Outdoor Recreational Infrastructure grants for outdoor
 1471 recreation capital projects and related maintenance expenses, where maintenance
 1472 expenses do not exceed 15% of the appropriation; and
- 1473 (c) at least 53% to the Department of Natural Resources - Division of Outdoor
 1474 Recreation - Capital, to be expended for larger outdoor recreation infrastructure
 1475 projects described in Subsection (3) as recommended to the Legislature by the
 1476 Outdoor Adventure Commission.
- 1477 (5) If the Legislature appropriates money to the Department of Transportation from the
 1478 account, the Transportation Commission, created in Section 72-1-301, shall prioritize
 1479 projects and determine funding levels in accordance with Subsection 72-1-303(1)(a)
 1480 based on recommendations of the Department of Transportation.

1481 Section 15. Section **53-2a-1102** is amended to read:

1482 **53-2a-1102 . Search and Rescue Financial Assistance Program -- Uses --**

1483 **Rulemaking -- Distribution.**

- 1484 (1) As used in this section:
- 1485 (a) "Assistance card program" means the Utah Search and Rescue Assistance Card
 1486 Program created within this section.
- 1487 (b) "Card" means the Search and Rescue Assistance Card issued under this section to a
 1488 participant.
- 1489 (c) "Participant" means an individual, family, or group who is registered pursuant to this
 1490 section as having a valid card at the time search, rescue, or both are provided.
- 1491 (d) "Program" means the Search and Rescue Financial Assistance Program created
 1492 within this section.

- 1493 (e)(i) "Reimbursable base expenses" means those reasonable expenses incidental to
 1494 search and rescue activities.
- 1495 (ii) "Reimbursable base expenses" include:
- 1496 (A) rental for fixed wing aircraft, snowmobiles, boats, and generators;
- 1497 (B) replacement and upgrade of search and rescue equipment;
- 1498 (C) training of search and rescue volunteers;
- 1499 (D) costs of providing life insurance and workers' compensation benefits for
 1500 volunteer search and rescue team members under Section 67-20-7.5; and
- 1501 (E) any other equipment or expenses necessary or appropriate for conducting
 1502 search and rescue activities.
- 1503 (iii) "Reimbursable base expenses" do not include any salary or overtime paid to an
 1504 individual on a regular or permanent payroll, including permanent part-time
 1505 employees of any agency of the state.
- 1506 (f) "Rescue" means search services, rescue services, or both search and rescue services.
- 1507 (2) There is created the Search and Rescue Financial Assistance Program within the
 1508 division.
- 1509 (3)(a) The financial program and the assistance card program shall be funded from the
 1510 following revenue sources:
- 1511 (i) any voluntary contributions to the state received for search and rescue operations;
- 1512 (ii) money received by the state under Subsection (11) and under Sections 23A-4-209,
 1512a 41-22-34, and 73-18-24;
- 1513 (iii) money deposited
 1514 under [~~Subsection 59-12-103(13)~~] Section 59-12-103 as a dedicated credit for the
 1515 sole use of the Search and Rescue Financial Assistance Program;
- 1516 (iv) contributions deposited in accordance with Section 41-1a-230.7; and
- 1517 (v) appropriations made to the program by the Legislature.
- 1518 (b) Money received from the revenue sources in Subsections (3)(a)(i), (ii), and (iv), and
 1519 90% of the money described in Subsection (3)(a)(iii), shall be deposited into the
 1520 General Fund as a dedicated credit to be used solely for the program.
- 1521 (c) Ten percent of the money described in Subsection (3)(a)(iii) shall be deposited into
 1522 the General Fund as a dedicated credit to be used solely to promote the assistance
 1523 card program.
- 1524 (d) Funding for the program is nonlapsing.
- 1525
- 1526

- 1527 (4) Subject to Subsections (3)(b) and (c), the director shall use the money described in this
1528 section to reimburse counties for all or a portion of each county's reimbursable base
1529 expenses for search and rescue operations, subject to:
- 1530 (a) the approval of the Search and Rescue Advisory Board as provided in Section
1531 53-2a-1104;
- 1532 (b) money available in the program; and
- 1533 (c) rules made under Subsection (7).
- 1534 (5) Money described in Subsection (3) may not be used to reimburse for any paid personnel
1535 costs or paid man hours spent in emergency response and search and rescue related
1536 activities.
- 1537 (6) The Legislature finds that these funds are for a general and statewide public purpose.
- 1538 (7) The division, with the approval of the Search and Rescue Advisory Board, shall make
1539 rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1540 and consistent with this section:
- 1541 (a) specifying the costs that qualify as reimbursable base expenses;
- 1542 (b) defining the procedures of counties to submit expenses and be reimbursed;
- 1543 (c) defining a participant in the assistance card program, including:
- 1544 (i) individuals; and
- 1545 (ii) families and organized groups who qualify as participants;
- 1546 (d) defining the procedure for issuing a card to a participant;
- 1547 (e) defining excluded expenses that may not be reimbursed under the program, including
1548 medical expenses;
- 1549 (f) establishing the card renewal cycle for the Utah Search and Rescue Assistance Card
1550 Program;
- 1551 (g) establishing the frequency of review of the fee schedule;
- 1552 (h) providing for the administration of the program; and
- 1553 (i) providing a formula to govern the distribution of available money among the counties
1554 for uncompensated search and rescue expenses based on:
- 1555 (i) the total qualifying expenses submitted;
- 1556 (ii) the number of search and rescue incidents per county population;
- 1557 (iii) the number of victims that reside outside the county; and
- 1558 (iv) the number of volunteer hours spent in each county in emergency response and
1559 search and rescue related activities per county population.
- 1560 (8)(a) The division shall, in consultation with the Division of Outdoor Recreation,

- 1561 establish the fee schedule of the Utah Search and Rescue Assistance Card Program
1562 under Subsection 63J-1-504(7).
- 1563 (b) The division shall provide a discount of not less than 10% of the card fee under
1564 Subsection (8)(a) to a person who has paid a fee under Section 23A-4-209, 41-22-34,
1565 or 73-18-24 during the same calendar year in which the person applies to be a
1566 participant in the assistance card program.
- 1567 (9) Counties may not bill reimbursable base expenses to an individual for costs incurred for
1568 the rescue of an individual, if the individual is a current participant in the Utah Search
1569 and Rescue Assistance Card Program at the time of rescue, unless:
- 1570 (a) the rescuing county finds that the participant acted recklessly in creating a situation
1571 resulting in the need for the county to provide rescue services; or
- 1572 (b) the rescuing county finds that the participant intentionally created a situation
1573 resulting in the need for the county to provide rescue services.
- 1574 (10)(a) There is created the Utah Search and Rescue Assistance Card Program. The
1575 program is located within the division.
- 1576 (b) The program may not be used to cover any expenses, such as medically related
1577 expenses, that are not reimbursable base expenses related to the rescue.
- 1578 (11)(a) To participate in the program, a person shall purchase a search and rescue
1579 assistance card from the division by paying the fee as determined by the division in
1580 Subsection (8).
- 1581 (b) The money generated by the fees shall be deposited into the General Fund as a
1582 dedicated credit for the Search and Rescue Financial Assistance Program created in
1583 this section.
- 1584 (c) Participation and payment of fees by a person under Sections 23A-4-209, 41-22-34,
1585 and 73-18-24 do not constitute purchase of a card under this section.
- 1586 (12) The division shall consult with the Division of Outdoor Recreation regarding:
- 1587 (a) administration of the assistance card program; and
- 1588 (b) outreach and marketing strategies.
- 1589 (13) Pursuant to Subsection 31A-1-103(7), the Utah Search and Rescue Assistance Card
1590 Program under this section is exempt from being considered insurance as that term is
1591 defined in Section 31A-1-301.
- 1592 Section 16. Section **59-12-102** is amended to read:
- 1593 **59-12-102 . Definitions.**
- 1594 As used in this chapter:

- 1595 (1) "800 service" means a telecommunications service that:
- 1596 (a) allows a caller to dial a toll-free number without incurring a charge for the call; and
- 1597 (b) is typically marketed:
- 1598 (i) under the name 800 toll-free calling;
- 1599 (ii) under the name 855 toll-free calling;
- 1600 (iii) under the name 866 toll-free calling;
- 1601 (iv) under the name 877 toll-free calling;
- 1602 (v) under the name 888 toll-free calling; or
- 1603 (vi) under a name similar to Subsections (1)(b)(i) through (v) as designated by the
- 1604 Federal Communications Commission.
- 1605 (2)(a) "900 service" means an inbound toll telecommunications service that:
- 1606 (i) a subscriber purchases;
- 1607 (ii) allows a customer of the subscriber described in Subsection (2)(a)(i) to call in to
- 1608 the subscriber's:
- 1609 (A) prerecorded announcement; or
- 1610 (B) live service; and
- 1611 (iii) is typically marketed:
- 1612 (A) under the name 900 service; or
- 1613 (B) under a name similar to Subsection (2)(a)(iii)(A) as designated by the Federal
- 1614 Communications Commission.
- 1615 (b) "900 service" does not include a charge for:
- 1616 (i) a collection service a seller of a telecommunications service provides to a
- 1617 subscriber; or
- 1618 (ii) the following a subscriber sells to the subscriber's customer:
- 1619 (A) a product; or
- 1620 (B) a service.
- 1621 (3)(a) "Admission or user fees" includes season passes.
- 1622 (b) "Admission or user fees" does not include:
- 1623 (i) annual membership dues to private organizations; or
- 1624 (ii) a lesson, including a lesson that involves as part of the lesson equipment or a
- 1625 facility listed in Subsection 59-12-103(1)(f).
- 1626 (4) "Affiliate" or "affiliated person" means a person that, with respect to another person:
- 1627 (a) has an ownership interest of more than 5%, whether direct or indirect, in that other
- 1628 person; or

- 1629 (b) is related to the other person because a third person, or a group of third persons who
 1630 are affiliated persons with respect to each other, holds an ownership interest of more
 1631 than 5%, whether direct or indirect, in the related persons.
- 1632 (5) "Agreement" means the Streamlined Sales and Use Tax Agreement adopted on
 1633 November 12, 2002, including amendments made to the Streamlined Sales and Use Tax
 1634 Agreement after November 12, 2002.
- 1635 (6) "Agreement combined tax rate" means the sum of the tax rates:
 1636 (a) listed under Subsection (7); and
 1637 (b) that are imposed within a local taxing jurisdiction.
- 1638 (7) "Agreement sales and use tax" means a tax imposed under:
 1639 (a) Subsection 59-12-103(2)(a)(i)(A);
 1640 (b) Subsection 59-12-103(2)(a)(i)(B);
 1641 ~~(b)~~ (c) Subsection 59-12-103(2)(b)(i);
 1642 ~~(c)~~ (d) Subsection 59-12-103(2)(c)(i);
 1643 ~~(d)~~ (e) Subsection 59-12-103(2)(d);
 1644 ~~(e)~~ (f) Subsection 59-12-103(2)(e)(i)(A)~~(f)~~;
 1645 ~~(f)~~ (g) Section 59-12-204;
 1646 ~~(g)~~ (h) Section 59-12-401;
 1647 ~~(h)~~ (i) Section 59-12-402;
 1648 ~~(i)~~ (j) Section 59-12-402.1;
 1649 ~~(j)~~ (k) Section 59-12-703;
 1650 ~~(k)~~ (l) Section 59-12-802;
 1651 ~~(l)~~ (m) Section 59-12-804;
 1652 ~~(m)~~ (n) Section 59-12-1102;
 1653 ~~(n)~~ (o) Section 59-12-1302;
 1654 ~~(o)~~ (p) Section 59-12-1402;
 1655 ~~(p)~~ (q) Section 59-12-1802;
 1656 ~~(q)~~ (r) Section 59-12-2003;
 1657 ~~(r)~~ (s) Section 59-12-2103;
 1658 ~~(s)~~ (t) Section 59-12-2213;
 1659 ~~(t)~~ (u) Section 59-12-2214;
 1660 ~~(u)~~ (v) Section 59-12-2215;
 1661 ~~(v)~~ (w) Section 59-12-2216;
 1662 ~~(w)~~ (x) Section 59-12-2217;

- 1663 ~~(x)~~ (y) Section 59-12-2218;
- 1664 ~~(y)~~ (z) Section 59-12-2219; or
- 1665 ~~(z)~~ (aa) Section 59-12-2220.
- 1666 (8) "Aircraft" means the same as that term is defined in Section 72-10-102.
- 1667 (9) "Aircraft maintenance, repair, and overhaul provider" means a business entity:
- 1668 (a) except for:
- 1669 (i) an airline as defined in Section 59-2-102; or
- 1670 (ii) an affiliated group, as defined in Section 59-7-101, except that "affiliated group"
- 1671 includes a corporation that is qualified to do business but is not otherwise doing
- 1672 business in the state, of an airline; and
- 1673 (b) that has the workers, expertise, and facilities to perform the following, regardless of
- 1674 whether the business entity performs the following in this state:
- 1675 (i) check, diagnose, overhaul, and repair:
- 1676 (A) an onboard system of a fixed wing turbine powered aircraft; and
- 1677 (B) the parts that comprise an onboard system of a fixed wing turbine powered
- 1678 aircraft;
- 1679 (ii) assemble, change, dismantle, inspect, and test a fixed wing turbine powered
- 1680 aircraft engine;
- 1681 (iii) perform at least the following maintenance on a fixed wing turbine powered
- 1682 aircraft:
- 1683 (A) an inspection;
- 1684 (B) a repair, including a structural repair or modification;
- 1685 (C) changing landing gear; and
- 1686 (D) addressing issues related to an aging fixed wing turbine powered aircraft;
- 1687 (iv) completely remove the existing paint of a fixed wing turbine powered aircraft
- 1688 and completely apply new paint to the fixed wing turbine powered aircraft; and
- 1689 (v) refurbish the interior of a fixed wing turbine powered aircraft in a manner that
- 1690 results in a change in the fixed wing turbine powered aircraft's certification
- 1691 requirements by the authority that certifies the fixed wing turbine powered aircraft.
- 1692 (10) "Alcoholic beverage" means a beverage that:
- 1693 (a) is suitable for human consumption; and
- 1694 (b) contains .5% or more alcohol by volume.
- 1695 (11) "Alternative energy" means:
- 1696 (a) biomass energy;

- 1697 (b) geothermal energy;
- 1698 (c) hydroelectric energy;
- 1699 (d) solar energy;
- 1700 (e) wind energy; or
- 1701 (f) energy that is derived from:
- 1702 (i) coal-to-liquids;
- 1703 (ii) nuclear fuel;
- 1704 (iii) oil-impregnated diatomaceous earth;
- 1705 (iv) oil sands;
- 1706 (v) oil shale;
- 1707 (vi) petroleum coke; or
- 1708 (vii) waste heat from:
- 1709 (A) an industrial facility; or
- 1710 (B) a power station in which an electric generator is driven through a process in
- 1711 which water is heated, turns into steam, and spins a steam turbine.
- 1712 (12)(a) Subject to Subsection (12)(b), "alternative energy electricity production facility"
- 1713 means a facility that:
- 1714 (i) uses alternative energy to produce electricity; and
- 1715 (ii) has a production capacity of two megawatts or greater.
- 1716 (b) A facility is an alternative energy electricity production facility regardless of whether
- 1717 the facility is:
- 1718 (i) connected to an electric grid; or
- 1719 (ii) located on the premises of an electricity consumer.
- 1720 (13)(a) "Ancillary service" means a service associated with, or incidental to, the
- 1721 provision of telecommunications service.
- 1722 (b) "Ancillary service" includes:
- 1723 (i) a conference bridging service;
- 1724 (ii) a detailed communications billing service;
- 1725 (iii) directory assistance;
- 1726 (iv) a vertical service; or
- 1727 (v) a voice mail service.
- 1728 (14) "Area agency on aging" means the same as that term is defined in Section 26B-6-101.
- 1729 (15) "Assisted amusement device" means an amusement device, skill device, or ride device
- 1730 that is started and stopped by an individual:

- 1731 (a) who is not the purchaser or renter of the right to use or operate the amusement
1732 device, skill device, or ride device; and
- 1733 (b) at the direction of the seller of the right to use the amusement device, skill device, or
1734 ride device.
- 1735 (16) "Assisted cleaning or washing of tangible personal property" means cleaning or
1736 washing of tangible personal property if the cleaning or washing labor is primarily
1737 performed by an individual:
- 1738 (a) who is not the purchaser of the cleaning or washing of the tangible personal property;
1739 and
- 1740 (b) at the direction of the seller of the cleaning or washing of the tangible personal
1741 property.
- 1742 (17) "Authorized carrier" means:
- 1743 (a) in the case of vehicles operated over public highways, the holder of credentials
1744 indicating that the vehicle is or will be operated pursuant to both the International
1745 Registration Plan and the International Fuel Tax Agreement;
- 1746 (b) in the case of aircraft, the holder of a Federal Aviation Administration operating
1747 certificate or air carrier's operating certificate; or
- 1748 (c) in the case of locomotives, freight cars, railroad work equipment, or other rolling
1749 stock, a person who uses locomotives, freight cars, railroad work equipment, or other
1750 rolling stock in more than one state.
- 1751 (18)(a) "Biomass energy" means any of the following that is used as the primary source
1752 of energy to produce fuel or electricity:
- 1753 (i) material from a plant or tree; or
- 1754 (ii) other organic matter that is available on a renewable basis, including:
- 1755 (A) slash and brush from forests and woodlands;
- 1756 (B) animal waste;
- 1757 (C) waste vegetable oil;
- 1758 (D) methane or synthetic gas produced at a landfill, as a byproduct of the
1759 treatment of wastewater residuals, or through the conversion of a waste
1760 material through a nonincineration, thermal conversion process;
- 1761 (E) aquatic plants; and
- 1762 (F) agricultural products.
- 1763 (b) "Biomass energy" does not include:
- 1764 (i) black liquor; or

- 1765 (ii) treated woods.
- 1766 (19)(a) "Bundled transaction" means the sale of two or more items of tangible personal
1767 property, products, or services if the tangible personal property, products, or services
1768 are:
- 1769 (i) distinct and identifiable; and
1770 (ii) sold for one nonitemized price.
- 1771 (b) "Bundled transaction" does not include:
- 1772 (i) the sale of tangible personal property if the sales price varies, or is negotiable, on
1773 the basis of the selection by the purchaser of the items of tangible personal
1774 property included in the transaction;
- 1775 (ii) the sale of real property;
- 1776 (iii) the sale of services to real property;
- 1777 (iv) the retail sale of tangible personal property and a service if:
- 1778 (A) the tangible personal property:
1779 (I) is essential to the use of the service; and
1780 (II) is provided exclusively in connection with the service; and
1781 (B) the service is the true object of the transaction;
- 1782 (v) the retail sale of two services if:
- 1783 (A) one service is provided that is essential to the use or receipt of a second
1784 service;
- 1785 (B) the first service is provided exclusively in connection with the second service;
1786 and
1787 (C) the second service is the true object of the transaction;
- 1788 (vi) a transaction that includes tangible personal property or a product subject to
1789 taxation under this chapter and tangible personal property or a product that is not
1790 subject to taxation under this chapter if the:
- 1791 (A) seller's purchase price of the tangible personal property or product subject to
1792 taxation under this chapter is de minimis; or
1793 (B) seller's sales price of the tangible personal property or product subject to
1794 taxation under this chapter is de minimis; and
- 1795 (vii) the retail sale of tangible personal property that is not subject to taxation under
1796 this chapter and tangible personal property that is subject to taxation under this
1797 chapter if:
- 1798 (A) that retail sale includes:

- 1799 (I) food and food ingredients;
 1800 (II) a drug;
 1801 (III) durable medical equipment;
 1802 (IV) mobility enhancing equipment;
 1803 (V) an over-the-counter drug;
 1804 (VI) a prosthetic device; or
 1805 (VII) a medical supply; and
 1806 (B) subject to Subsection (19)(f):
 1807 (I) the seller's purchase price of the tangible personal property subject to
 1808 taxation under this chapter is 50% or less of the seller's total purchase price
 1809 of that retail sale; or
 1810 (II) the seller's sales price of the tangible personal property subject to taxation
 1811 under this chapter is 50% or less of the seller's total sales price of that retail
 1812 sale.
- 1813 (c)(i) For purposes of Subsection (19)(a)(i), tangible personal property, a product, or
 1814 a service that is distinct and identifiable does not include:
 1815 (A) packaging that:
 1816 (I) accompanies the sale of the tangible personal property, product, or service;
 1817 and
 1818 (II) is incidental or immaterial to the sale of the tangible personal property,
 1819 product, or service;
 1820 (B) tangible personal property, a product, or a service provided free of charge with
 1821 the purchase of another item of tangible personal property, a product, or a
 1822 service; or
 1823 (C) an item of tangible personal property, a product, or a service included in the
 1824 definition of "purchase price."
- 1825 (ii) For purposes of Subsection (19)(c)(i)(B), an item of tangible personal property, a
 1826 product, or a service is provided free of charge with the purchase of another item
 1827 of tangible personal property, a product, or a service if the sales price of the
 1828 purchased item of tangible personal property, product, or service does not vary
 1829 depending on the inclusion of the tangible personal property, product, or service
 1830 provided free of charge.
- 1831 (d)(i) For purposes of Subsection (19)(a)(ii), property sold for one nonitemized price
 1832 does not include a price that is separately identified by tangible personal property,

- 1833 product, or service on the following, regardless of whether the following is in
1834 paper format or electronic format:
- 1835 (A) a binding sales document; or
1836 (B) another supporting sales-related document that is available to a purchaser.
- 1837 (ii) For purposes of Subsection (19)(d)(i), a binding sales document or another
1838 supporting sales-related document that is available to a purchaser includes:
- 1839 (A) a bill of sale;
1840 (B) a contract;
1841 (C) an invoice;
1842 (D) a lease agreement;
1843 (E) a periodic notice of rates and services;
1844 (F) a price list;
1845 (G) a rate card;
1846 (H) a receipt; or
1847 (I) a service agreement.
- 1848 (e)(i) For purposes of Subsection (19)(b)(vi), the sales price of tangible personal
1849 property or a product subject to taxation under this chapter is de minimis if:
- 1850 (A) the seller's purchase price of the tangible personal property or product is 10%
1851 or less of the seller's total purchase price of the bundled transaction; or
1852 (B) the seller's sales price of the tangible personal property or product is 10% or
1853 less of the seller's total sales price of the bundled transaction.
- 1854 (ii) For purposes of Subsection (19)(b)(vi), a seller:
- 1855 (A) shall use the seller's purchase price or the seller's sales price to determine if
1856 the purchase price or sales price of the tangible personal property or product
1857 subject to taxation under this chapter is de minimis; and
1858 (B) may not use a combination of the seller's purchase price and the seller's sales
1859 price to determine if the purchase price or sales price of the tangible personal
1860 property or product subject to taxation under this chapter is de minimis.
- 1861 (iii) For purposes of Subsection (19)(b)(vi), a seller shall use the full term of a service
1862 contract to determine if the sales price of tangible personal property or a product is
1863 de minimis.
- 1864 (f) For purposes of Subsection (19)(b)(vii)(B), a seller may not use a combination of the
1865 seller's purchase price and the seller's sales price to determine if tangible personal
1866 property subject to taxation under this chapter is 50% or less of the seller's total

- 1867 purchase price or sales price of that retail sale.
- 1868 (20) "Car sharing" means the same as that term is defined in Section 13-48a-101.
- 1869 (21) "Car-sharing program" means the same as that term is defined in Section 13-48a-101.
- 1870 (22) "Certified automated system" means software certified by the governing board of the
- 1871 agreement that:
- 1872 (a) calculates the agreement sales and use tax imposed within a local taxing jurisdiction:
- 1873 (i) on a transaction; and
- 1874 (ii) in the states that are members of the agreement;
- 1875 (b) determines the amount of agreement sales and use tax to remit to a state that is a
- 1876 member of the agreement; and
- 1877 (c) maintains a record of the transaction described in Subsection (22)(a)(i).
- 1878 (23) "Certified service provider" means an agent certified:
- 1879 (a) by the governing board of the agreement; and
- 1880 (b) to perform a seller's sales and use tax functions for an agreement sales and use tax, as
- 1881 outlined in the contract between the governing board of the agreement and the
- 1882 certified service provider, other than the seller's obligation under Section 59-12-124
- 1883 to remit a tax on the seller's own purchases.
- 1884 (24)(a) Subject to Subsection (24)(b), "clothing" means all human wearing apparel
- 1885 suitable for general use.
- 1886 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 1887 commission shall make rules:
- 1888 (i) listing the items that constitute "clothing"; and
- 1889 (ii) that are consistent with the list of items that constitute "clothing" under the
- 1890 agreement.
- 1891 (25) "Coal-to-liquid" means the process of converting coal into a liquid synthetic fuel.
- 1892 (26) "Commercial use" means the use of gas, electricity, heat, coal, fuel oil, or other fuels
- 1893 that does not constitute industrial use under Subsection (60) or residential use under
- 1894 Subsection (115).
- 1895 (27)(a) "Common carrier" means a person engaged in or transacting the business of
- 1896 transporting passengers, freight, merchandise, or other property for hire within this
- 1897 state.
- 1898 (b)(i) "Common carrier" does not include a person that, at the time the person is
- 1899 traveling to or from that person's place of employment, transports a passenger to
- 1900 or from the passenger's place of employment.

- 1901 (ii) For purposes of Subsection (27)(b)(i), in accordance with Title 63G, Chapter 3,
1902 Utah Administrative Rulemaking Act, the commission may make rules defining
1903 what constitutes a person's place of employment.
- 1904 (c) "Common carrier" does not include a person that provides transportation network
1905 services, as defined in Section 13-51-102.
- 1906 (28) "Component part" includes:
- 1907 (a) poultry, dairy, and other livestock feed, and their components;
1908 (b) baling ties and twine used in the baling of hay and straw;
1909 (c) fuel used for providing temperature control of orchards and commercial greenhouses
1910 doing a majority of their business in wholesale sales, and for providing power for
1911 off-highway type farm machinery; and
1912 (d) feed, seeds, and seedlings.
- 1913 (29) "Computer" means an electronic device that accepts information:
- 1914 (a)(i) in digital form; or
1915 (ii) in a form similar to digital form; and
1916 (b) manipulates that information for a result based on a sequence of instructions.
- 1917 (30) "Computer software" means a set of coded instructions designed to cause:
- 1918 (a) a computer to perform a task; or
1919 (b) automatic data processing equipment to perform a task.
- 1920 (31) "Computer software maintenance contract" means a contract that obligates a seller of
1921 computer software to provide a customer with:
- 1922 (a) future updates or upgrades to computer software;
1923 (b) support services with respect to computer software; or
1924 (c) a combination of Subsections (31)(a) and (b).
- 1925 (32)(a) "Conference bridging service" means an ancillary service that links two or more
1926 participants of an audio conference call or video conference call.
- 1927 (b) "Conference bridging service" may include providing a telephone number as part of
1928 the ancillary service described in Subsection (32)(a).
- 1929 (c) "Conference bridging service" does not include a telecommunications service used to
1930 reach the ancillary service described in Subsection (32)(a).
- 1931 (33) "Construction materials" means any tangible personal property that will be converted
1932 into real property.
- 1933 (34) "Delivered electronically" means delivered to a purchaser by means other than tangible
1934 storage media.

- 1935 (35)(a) "Delivery charge" means a charge:
1936 (i) by a seller of:
1937 (A) tangible personal property;
1938 (B) a product transferred electronically; or
1939 (C) a service; and
1940 (ii) for preparation and delivery of the tangible personal property, product transferred
1941 electronically, or services described in Subsection (35)(a)(i) to a location
1942 designated by the purchaser.
- 1943 (b) "Delivery charge" includes a charge for the following:
1944 (i) transportation;
1945 (ii) shipping;
1946 (iii) postage;
1947 (iv) handling;
1948 (v) crating; or
1949 (vi) packing.
- 1950 (36) "Detailed telecommunications billing service" means an ancillary service of separately
1951 stating information pertaining to individual calls on a customer's billing statement.
- 1952 (37) "Dietary supplement" means a product, other than tobacco, that:
1953 (a) is intended to supplement the diet;
1954 (b) contains one or more of the following dietary ingredients:
1955 (i) a vitamin;
1956 (ii) a mineral;
1957 (iii) an herb or other botanical;
1958 (iv) an amino acid;
1959 (v) a dietary substance for use by humans to supplement the diet by increasing the
1960 total dietary intake; or
1961 (vi) a concentrate, metabolite, constituent, extract, or combination of any ingredient
1962 described in Subsections (37)(b)(i) through (v);
1963 (c)(i) except as provided in Subsection (37)(c)(ii), is intended for ingestion in:
1964 (A) tablet form;
1965 (B) capsule form;
1966 (C) powder form;
1967 (D) softgel form;
1968 (E) gelcap form; or

- 1969 (F) liquid form; or
- 1970 (ii) if the product is not intended for ingestion in a form described in Subsections
- 1971 (37)(c)(i)(A) through (F), is not represented:
- 1972 (A) as conventional food; and
- 1973 (B) for use as a sole item of:
- 1974 (I) a meal; or
- 1975 (II) the diet; and
- 1976 (d) is required to be labeled as a dietary supplement:
- 1977 (i) identifiable by the "Supplemental Facts" box found on the label; and
- 1978 (ii) as required by 21 C.F.R. Sec. 101.36.
- 1979 (38)(a) "Digital audio work" means a work that results from the fixation of a series of
- 1980 musical, spoken, or other sounds.
- 1981 (b) "Digital audio work" includes a ringtone.
- 1982 (39) "Digital audio-visual work" means a series of related images which, when shown in
- 1983 succession, imparts an impression of motion, together with accompanying sounds, if any.
- 1984 (40) "Digital book" means a work that is generally recognized in the ordinary and usual
- 1985 sense as a book.
- 1986 (41)(a) "Direct mail" means printed material delivered or distributed by United States
- 1987 mail or other delivery service:
- 1988 (i) to:
- 1989 (A) a mass audience; or
- 1990 (B) addressees on a mailing list provided:
- 1991 (I) by a purchaser of the mailing list; or
- 1992 (II) at the discretion of the purchaser of the mailing list; and
- 1993 (ii) if the cost of the printed material is not billed directly to the recipients.
- 1994 (b) "Direct mail" includes tangible personal property supplied directly or indirectly by a
- 1995 purchaser to a seller of direct mail for inclusion in a package containing the printed
- 1996 material.
- 1997 (c) "Direct mail" does not include multiple items of printed material delivered to a single
- 1998 address.
- 1999 (42) "Directory assistance" means an ancillary service of providing:
- 2000 (a) address information; or
- 2001 (b) telephone number information.
- 2002 (43)(a) "Disposable home medical equipment or supplies" means medical equipment or

- 2003 supplies that:
- 2004 (i) cannot withstand repeated use; and
- 2005 (ii) are purchased by, for, or on behalf of a person other than:
- 2006 (A) a health care facility as defined in Section 26B-2-201;
- 2007 (B) a health care provider as defined in Section 78B-3-403;
- 2008 (C) an office of a health care provider described in Subsection (43)(a)(ii)(B); or
- 2009 (D) a person similar to a person described in Subsections (43)(a)(ii)(A) through
- 2010 (C).
- 2011 (b) "Disposable home medical equipment or supplies" does not include:
- 2012 (i) a drug;
- 2013 (ii) durable medical equipment;
- 2014 (iii) a hearing aid;
- 2015 (iv) a hearing aid accessory;
- 2016 (v) mobility enhancing equipment; or
- 2017 (vi) tangible personal property used to correct impaired vision, including:
- 2018 (A) eyeglasses; or
- 2019 (B) contact lenses.
- 2020 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 2021 commission may by rule define what constitutes medical equipment or supplies.
- 2022 (44) "Drilling equipment manufacturer" means a facility:
- 2023 (a) located in the state;
- 2024 (b) with respect to which 51% or more of the manufacturing activities of the facility
- 2025 consist of manufacturing component parts of drilling equipment;
- 2026 (c) that uses pressure of 800,000 or more pounds per square inch as part of the
- 2027 manufacturing process; and
- 2028 (d) that uses a temperature of 2,000 or more degrees Fahrenheit as part of the
- 2029 manufacturing process.
- 2030 (45)(a) "Drug" means a compound, substance, or preparation, or a component of a
- 2031 compound, substance, or preparation that is:
- 2032 (i) recognized in:
- 2033 (A) the official United States Pharmacopoeia;
- 2034 (B) the official Homeopathic Pharmacopoeia of the United States;
- 2035 (C) the official National Formulary; or
- 2036 (D) a supplement to a publication listed in Subsections (45)(a)(i)(A) through (C);

- 2037 (ii) intended for use in the:
- 2038 (A) diagnosis of disease;
- 2039 (B) cure of disease;
- 2040 (C) mitigation of disease;
- 2041 (D) treatment of disease; or
- 2042 (E) prevention of disease; or
- 2043 (iii) intended to affect:
- 2044 (A) the structure of the body; or
- 2045 (B) any function of the body.
- 2046 (b) "Drug" does not include:
- 2047 (i) food and food ingredients;
- 2048 (ii) a dietary supplement;
- 2049 (iii) an alcoholic beverage; or
- 2050 (iv) a prosthetic device.
- 2051 (46)(a) "Durable medical equipment" means equipment that:
- 2052 (i) can withstand repeated use;
- 2053 (ii) is primarily and customarily used to serve a medical purpose;
- 2054 (iii) generally is not useful to a person in the absence of illness or injury; and
- 2055 (iv) is not worn in or on the body.
- 2056 (b) "Durable medical equipment" includes parts used in the repair or replacement of the
- 2057 equipment described in Subsection (46)(a).
- 2058 (c) "Durable medical equipment" does not include mobility enhancing equipment.
- 2059 (47) "Electronic" means:
- 2060 (a) relating to technology; and
- 2061 (b) having:
- 2062 (i) electrical capabilities;
- 2063 (ii) digital capabilities;
- 2064 (iii) magnetic capabilities;
- 2065 (iv) wireless capabilities;
- 2066 (v) optical capabilities;
- 2067 (vi) electromagnetic capabilities; or
- 2068 (vii) capabilities similar to Subsections (47)(b)(i) through (vi).
- 2069 (48) "Electronic financial payment service" means an establishment:
- 2070 (a) within NAICS Code 522320, Financial Transactions Processing, Reserve, and

- 2071 Clearinghouse Activities, of the 2012 North American Industry Classification System
2072 of the federal Executive Office of the President, Office of Management and Budget;
2073 and
2074 (b) that performs electronic financial payment services.
- 2075 (49) "Employee" means the same as that term is defined in Section 59-10-401.
- 2076 (50) "Fixed guideway" means a public transit facility that uses and occupies:
2077 (a) rail for the use of public transit; or
2078 (b) a separate right-of-way for the use of public transit.
- 2079 (51) "Fixed wing turbine powered aircraft" means an aircraft that:
2080 (a) is powered by turbine engines;
2081 (b) operates on jet fuel; and
2082 (c) has wings that are permanently attached to the fuselage of the aircraft.
- 2083 (52) "Fixed wireless service" means a telecommunications service that provides radio
2084 communication between fixed points.
- 2085 (53)(a) "Food and food ingredients" means substances:
2086 (i) regardless of whether the substances are in:
2087 (A) liquid form;
2088 (B) concentrated form;
2089 (C) solid form;
2090 (D) frozen form;
2091 (E) dried form; or
2092 (F) dehydrated form; and
2093 (ii) that are:
2094 (A) sold for:
2095 (I) ingestion by humans; or
2096 (II) chewing by humans; and
2097 (B) consumed for the substance's:
2098 (I) taste; or
2099 (II) nutritional value.
- 2100 (b) "Food and food ingredients" includes an item described in Subsection (99)(b)(iii).
- 2101 (c) "Food and food ingredients" does not include:
2102 (i) an alcoholic beverage;
2103 (ii) tobacco; or
2104 (iii) prepared food.

- 2105 (54)(a) "Fundraising sales" means sales:
- 2106 (i)(A) made by a school; or
- 2107 (B) made by a school student;
- 2108 (ii) that are for the purpose of raising funds for the school to purchase equipment,
- 2109 materials, or provide transportation; and
- 2110 (iii) that are part of an officially sanctioned school activity.
- 2111 (b) For purposes of Subsection (54)(a)(iii), "officially sanctioned school activity" means
- 2112 a school activity:
- 2113 (i) that is conducted in accordance with a formal policy adopted by the school or
- 2114 school district governing the authorization and supervision of fundraising
- 2115 activities;
- 2116 (ii) that does not directly or indirectly compensate an individual teacher or other
- 2117 educational personnel by direct payment, commissions, or payment in kind; and
- 2118 (iii) the net or gross revenue from which is deposited in a dedicated account
- 2119 controlled by the school or school district.
- 2120 (55) "Geothermal energy" means energy contained in heat that continuously flows outward
- 2121 from the earth that is used as the sole source of energy to produce electricity.
- 2122 (56) "Governing board of the agreement" means the governing board of the agreement that
- 2123 is:
- 2124 (a) authorized to administer the agreement; and
- 2125 (b) established in accordance with the agreement.
- 2126 (57)(a) For purposes of Subsection 59-12-104(41), "governmental entity" means:
- 2127 (i) the executive branch of the state, including all departments, institutions, boards,
- 2128 divisions, bureaus, offices, commissions, and committees;
- 2129 (ii) the judicial branch of the state, including the courts, the Judicial Council, the
- 2130 Administrative Office of the Courts, and similar administrative units in the
- 2131 judicial branch;
- 2132 (iii) the legislative branch of the state, including the House of Representatives, the
- 2133 Senate, the Legislative Printing Office, the Office of Legislative Research and
- 2134 General Counsel, the Office of the Legislative Auditor General, and the Office of
- 2135 the Legislative Fiscal Analyst;
- 2136 (iv) the National Guard;
- 2137 (v) an independent entity as defined in Section 63E-1-102; or
- 2138 (vi) a political subdivision as defined in Section 17B-1-102.

- 2139 (b) "Governmental entity" does not include the state systems of public and higher
2140 education, including:
- 2141 (i) a school;
 - 2142 (ii) the State Board of Education;
 - 2143 (iii) the Utah Board of Higher Education; or
 - 2144 (iv) an institution of higher education described in Section 53B-1-102.
- 2145 (58) "Hydroelectric energy" means water used as the sole source of energy to produce
2146 electricity.
- 2147 (59) "Individual-owned shared vehicle" means the same as that term is defined in Section
2148 13-48a-101.
- 2149 (60) "Industrial use" means the use of natural gas, electricity, heat, coal, fuel oil, or other
2150 fuels:
- 2151 (a) in mining or extraction of minerals;
 - 2152 (b) in agricultural operations to produce an agricultural product up to the time of harvest
2153 or placing the agricultural product into a storage facility, including:
 - 2154 (i) commercial greenhouses;
 - 2155 (ii) irrigation pumps;
 - 2156 (iii) farm machinery;
 - 2157 (iv) implements of husbandry as defined in Section 41-1a-102 that are not registered
2158 under Title 41, Chapter 1a, Part 2, Registration; and
 - 2159 (v) other farming activities;
 - 2160 (c) in manufacturing tangible personal property at an establishment described in:
 - 2161 (i) SIC Codes 2000 to 3999 of the 1987 Standard Industrial Classification Manual of
2162 the federal Executive Office of the President, Office of Management and Budget;
2163 or
 - 2164 (ii) a NAICS code within NAICS Sector 31-33, Manufacturing, of the 2017 North
2165 American Industry Classification System of the federal Executive Office of the
2166 President, Office of Management and Budget;
 - 2167 (d) by a scrap recycler if:
 - 2168 (i) from a fixed location, the scrap recycler utilizes machinery or equipment to
2169 process one or more of the following items into prepared grades of processed
2170 materials for use in new products:
 - 2171 (A) iron;
 - 2172 (B) steel;

- 2173 (C) nonferrous metal;
- 2174 (D) paper;
- 2175 (E) glass;
- 2176 (F) plastic;
- 2177 (G) textile; or
- 2178 (H) rubber; and
- 2179 (ii) the new products under Subsection (60)(d)(i) would otherwise be made with
- 2180 nonrecycled materials; or
- 2181 (e) in producing a form of energy or steam described in Subsection 54-2-1(3)(a) by a
- 2182 cogeneration facility as defined in Section 54-2-1.
- 2183 (61)(a) "Installation charge" means a charge for installing:
- 2184 (i) tangible personal property; or
- 2185 (ii) a product transferred electronically.
- 2186 (b) "Installation charge" does not include a charge for:
- 2187 (i) repairs or renovations of:
- 2188 (A) tangible personal property; or
- 2189 (B) a product transferred electronically; or
- 2190 (ii) attaching tangible personal property or a product transferred electronically:
- 2191 (A) to other tangible personal property; and
- 2192 (B) as part of a manufacturing or fabrication process.
- 2193 (62) "Institution of higher education" means an institution of higher education listed in
- 2194 Section 53B-2-101.
- 2195 (63)(a) "Lease" or "rental" means a transfer of possession or control of tangible personal
- 2196 property or a product transferred electronically for:
- 2197 (i)(A) a fixed term; or
- 2198 (B) an indeterminate term; and
- 2199 (ii) consideration.
- 2200 (b) "Lease" or "rental" includes:
- 2201 (i) an agreement covering a motor vehicle and trailer if the amount of consideration
- 2202 may be increased or decreased by reference to the amount realized upon sale or
- 2203 disposition of the property as defined in Section 7701(h)(1), Internal Revenue
- 2204 Code; and
- 2205 (ii) car sharing.
- 2206 (c) "Lease" or "rental" does not include:

- 2207 (i) a transfer of possession or control of property under a security agreement or
2208 deferred payment plan that requires the transfer of title upon completion of the
2209 required payments;
- 2210 (ii) a transfer of possession or control of property under an agreement that requires
2211 the transfer of title:
2212 (A) upon completion of required payments; and
2213 (B) if the payment of an option price does not exceed the greater of:
2214 (I) \$100; or
2215 (II) 1% of the total required payments; or
- 2216 (iii) providing tangible personal property along with an operator for a fixed period of
2217 time or an indeterminate period of time if the operator is necessary for equipment
2218 to perform as designed.
- 2219 (d) For purposes of Subsection (63)(c)(iii), an operator is necessary for equipment to
2220 perform as designed if the operator's duties exceed the:
2221 (i) set-up of tangible personal property;
2222 (ii) maintenance of tangible personal property; or
2223 (iii) inspection of tangible personal property.
- 2224 (64) "Lesson" means a fixed period of time for the duration of which a trained instructor:
2225 (a) is present with a student in person or by video; and
2226 (b) actively instructs the student, including by providing observation or feedback.
- 2227 (65) "Life science establishment" means an establishment in this state that is classified
2228 under the following NAICS codes of the 2007 North American Industry Classification
2229 System of the federal Executive Office of the President, Office of Management and
2230 Budget:
2231 (a) NAICS Code 33911, Medical Equipment and Supplies Manufacturing;
2232 (b) NAICS Code 334510, Electromedical and Electrotherapeutic Apparatus
2233 Manufacturing; or
2234 (c) NAICS Code 334517, Irradiation Apparatus Manufacturing.
- 2235 (66) "Life science research and development facility" means a facility owned, leased, or
2236 rented by a life science establishment if research and development is performed in 51%
2237 or more of the total area of the facility.
- 2238 (67) "Load and leave" means delivery to a purchaser by use of a tangible storage media if
2239 the tangible storage media is not physically transferred to the purchaser.
- 2240 (68) "Local taxing jurisdiction" means a:

- 2241 (a) county that is authorized to impose an agreement sales and use tax;
- 2242 (b) city that is authorized to impose an agreement sales and use tax; or
- 2243 (c) town that is authorized to impose an agreement sales and use tax.
- 2244 (69) "Manufactured home" means the same as that term is defined in Section 15A-1-302.
- 2245 (70) "Manufacturing facility" means:
- 2246 (a) an establishment described in:
- 2247 (i) SIC Codes 2000 to 3999 of the 1987 Standard Industrial Classification Manual of
- 2248 the federal Executive Office of the President, Office of Management and Budget;
- 2249 or
- 2250 (ii) a NAICS code within NAICS Sector 31-33, Manufacturing, of the 2017 North
- 2251 American Industry Classification System of the federal Executive Office of the
- 2252 President, Office of Management and Budget;
- 2253 (b) a scrap recycler if:
- 2254 (i) from a fixed location, the scrap recycler utilizes machinery or equipment to
- 2255 process one or more of the following items into prepared grades of processed
- 2256 materials for use in new products:
- 2257 (A) iron;
- 2258 (B) steel;
- 2259 (C) nonferrous metal;
- 2260 (D) paper;
- 2261 (E) glass;
- 2262 (F) plastic;
- 2263 (G) textile; or
- 2264 (H) rubber; and
- 2265 (ii) the new products under Subsection (70)(b)(i) would otherwise be made with
- 2266 nonrecycled materials; or
- 2267 (c) a cogeneration facility as defined in Section 54-2-1 if the cogeneration facility is
- 2268 placed in service on or after May 1, 2006.
- 2269 (71)(a) "Marketplace" means a physical or electronic place, platform, or forum where
- 2270 tangible personal property, a product transferred electronically, or a service is offered
- 2271 for sale.
- 2272 (b) "Marketplace" includes a store, a booth, an Internet website, a catalog, or a dedicated
- 2273 sales software application.
- 2274 (72)(a) "Marketplace facilitator" means a person, including an affiliate of the person,

- 2275 that enters into a contract, an agreement, or otherwise with sellers, for consideration,
2276 to facilitate the sale of a seller's product through a marketplace that the person owns,
2277 operates, or controls and that directly or indirectly:
- 2278 (i) does any of the following:
- 2279 (A) lists, makes available, or advertises tangible personal property, a product
2280 transferred electronically, or a service for sale by a marketplace seller on a
2281 marketplace that the person owns, operates, or controls;
- 2282 (B) facilitates the sale of a marketplace seller's tangible personal property, product
2283 transferred electronically, or service by transmitting or otherwise
2284 communicating an offer or acceptance of a retail sale between the marketplace
2285 seller and a purchaser using the marketplace;
- 2286 (C) owns, rents, licenses, makes available, or operates any electronic or physical
2287 infrastructure or any property, process, method, copyright, trademark, or patent
2288 that connects a marketplace seller to a purchaser for the purpose of making a
2289 retail sale of tangible personal property, a product transferred electronically, or
2290 a service;
- 2291 (D) provides a marketplace for making, or otherwise facilitates, a retail sale of
2292 tangible personal property, a product transferred electronically, or a service,
2293 regardless of ownership or control of the tangible personal property, the
2294 product transferred electronically, or the service that is the subject of the retail
2295 sale;
- 2296 (E) provides software development or research and development activities related
2297 to any activity described in this Subsection (72)(a)(i), if the software
2298 development or research and development activity is directly related to the
2299 person's marketplace;
- 2300 (F) provides or offers fulfillment or storage services for a marketplace seller;
- 2301 (G) sets prices for the sale of tangible personal property, a product transferred
2302 electronically, or a service by a marketplace seller;
- 2303 (H) provides or offers customer service to a marketplace seller or a marketplace
2304 seller's purchaser or accepts or assists with taking orders, returns, or exchanges
2305 of tangible personal property, a product transferred electronically, or a service
2306 sold by a marketplace seller on the person's marketplace; or
- 2307 (I) brands or otherwise identifies sales as those of the person; and
- 2308 (ii) does any of the following:

- 2309 (A) collects the sales price or purchase price of a retail sale of tangible personal
 2310 property, a product transferred electronically, or a service;
- 2311 (B) provides payment processing services for a retail sale of tangible personal
 2312 property, a product transferred electronically, or a service;
- 2313 (C) charges, collects, or otherwise receives a selling fee, listing fee, referral fee,
 2314 closing fee, a fee for inserting or making available tangible personal property, a
 2315 product transferred electronically, or a service on the person's marketplace, or
 2316 other consideration for the facilitation of a retail sale of tangible personal
 2317 property, a product transferred electronically, or a service, regardless of
 2318 ownership or control of the tangible personal property, the product transferred
 2319 electronically, or the service that is the subject of the retail sale;
- 2320 (D) through terms and conditions, an agreement, or another arrangement with a
 2321 third person, collects payment from a purchase for a retail sale of tangible
 2322 personal property, a product transferred electronically, or a service and
 2323 transmits that payment to the marketplace seller, regardless of whether the
 2324 third person receives compensation or other consideration in exchange for the
 2325 service; or
- 2326 (E) provides a virtual currency for a purchaser to use to purchase tangible personal
 2327 property, a product transferred electronically, or service offered for sale.
- 2328 (b) "Marketplace facilitator" does not include:
- 2329 (i) a person that only provides payment processing services; or
- 2330 (ii) a person described in Subsection (72)(a) to the extent the person is facilitating a
 2331 sale for a seller that is a restaurant as defined in Section 59-12-602.
- 2332 (73) "Marketplace seller" means a seller that makes one or more retail sales through a
 2333 marketplace that a marketplace facilitator owns, operates, or controls, regardless of
 2334 whether the seller is required to be registered to collect and remit the tax under this part.
- 2335 (74) "Member of the immediate family of the producer" means a person who is related to a
 2336 producer described in Subsection 59-12-104(20)(a) as a:
- 2337 (a) child or stepchild, regardless of whether the child or stepchild is:
- 2338 (i) an adopted child or adopted stepchild; or
- 2339 (ii) a foster child or foster stepchild;
- 2340 (b) grandchild or stepgrandchild;
- 2341 (c) grandparent or stepgrandparent;
- 2342 (d) nephew or stepnephew;

- 2343 (e) niece or stepniece;
- 2344 (f) parent or stepparent;
- 2345 (g) sibling or stepsibling;
- 2346 (h) spouse;
- 2347 (i) person who is the spouse of a person described in Subsections (74)(a) through (g); or
- 2348 (j) person similar to a person described in Subsections (74)(a) through (i) as determined
- 2349 by the commission by rule made in accordance with Title 63G, Chapter 3, Utah
- 2350 Administrative Rulemaking Act.
- 2351 (75) "Mobile home" means the same as that term is defined in Section 15A-1-302.
- 2352 (76) "Mobile telecommunications service" means the same as that term is defined in the
- 2353 Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 124.
- 2354 (77)(a) "Mobile wireless service" means a telecommunications service, regardless of the
- 2355 technology used, if:
- 2356 (i) the origination point of the conveyance, routing, or transmission is not fixed;
- 2357 (ii) the termination point of the conveyance, routing, or transmission is not fixed; or
- 2358 (iii) the origination point described in Subsection (77)(a)(i) and the termination point
- 2359 described in Subsection (77)(a)(ii) are not fixed.
- 2360 (b) "Mobile wireless service" includes a telecommunications service that is provided by
- 2361 a commercial mobile radio service provider.
- 2362 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 2363 commission may by rule define "commercial mobile radio service provider."
- 2364 (78)(a) "Mobility enhancing equipment" means equipment that is:
- 2365 (i) primarily and customarily used to provide or increase the ability to move from one
- 2366 place to another;
- 2367 (ii) appropriate for use in a:
- 2368 (A) home; or
- 2369 (B) motor vehicle; and
- 2370 (iii) not generally used by persons with normal mobility.
- 2371 (b) "Mobility enhancing equipment" includes parts used in the repair or replacement of
- 2372 the equipment described in Subsection (78)(a).
- 2373 (c) "Mobility enhancing equipment" does not include:
- 2374 (i) a motor vehicle;
- 2375 (ii) equipment on a motor vehicle if that equipment is normally provided by the
- 2376 motor vehicle manufacturer;

- 2377 (iii) durable medical equipment; or
2378 (iv) a prosthetic device.
- 2379 (79) "Model 1 seller" means a seller registered under the agreement that has selected a
2380 certified service provider as the seller's agent to perform the seller's sales and use tax
2381 functions for agreement sales and use taxes, as outlined in the contract between the
2382 governing board of the agreement and the certified service provider, other than the
2383 seller's obligation under Section 59-12-124 to remit a tax on the seller's own purchases.
- 2384 (80) "Model 2 seller" means a seller registered under the agreement that:
2385 (a) except as provided in Subsection (80)(b), has selected a certified automated system
2386 to perform the seller's sales tax functions for agreement sales and use taxes; and
2387 (b) retains responsibility for remitting all of the sales tax:
2388 (i) collected by the seller; and
2389 (ii) to the appropriate local taxing jurisdiction.
- 2390 (81)(a) Subject to Subsection (81)(b), "model 3 seller" means a seller registered under
2391 the agreement that has:
2392 (i) sales in at least five states that are members of the agreement;
2393 (ii) total annual sales revenue of at least \$500,000,000;
2394 (iii) a proprietary system that calculates the amount of tax:
2395 (A) for an agreement sales and use tax; and
2396 (B) due to each local taxing jurisdiction; and
2397 (iv) entered into a performance agreement with the governing board of the agreement.
- 2398 (b) For purposes of Subsection (81)(a), "model 3 seller" includes an affiliated group of
2399 sellers using the same proprietary system.
- 2400 (82) "Model 4 seller" means a seller that is registered under the agreement and is not a
2401 model 1 seller, model 2 seller, or model 3 seller.
- 2402 (83) "Modular home" means a modular unit as defined in Section 15A-1-302.
- 2403 (84) "Motor vehicle" means the same as that term is defined in Section 41-1a-102.
- 2404 (85) "Oil sands" means impregnated bituminous sands that:
2405 (a) contain a heavy, thick form of petroleum that is released when heated, mixed with
2406 other hydrocarbons, or otherwise treated;
2407 (b) yield mixtures of liquid hydrocarbon; and
2408 (c) require further processing other than mechanical blending before becoming finished
2409 petroleum products.
- 2410 (86) "Oil shale" means a group of fine black to dark brown shales containing kerogen

- 2411 material that yields petroleum upon heating and distillation.
- 2412 (87) "Optional computer software maintenance contract" means a computer software
2413 maintenance contract that a customer is not obligated to purchase as a condition to the
2414 retail sale of computer software.
- 2415 (88)(a) "Other fuels" means products that burn independently to produce heat or energy.
- 2416 (b) "Other fuels" includes oxygen when it is used in the manufacturing of tangible
2417 personal property.
- 2418 (89)(a) "Paging service" means a telecommunications service that provides transmission
2419 of a coded radio signal for the purpose of activating a specific pager.
- 2420 (b) For purposes of Subsection (89)(a), the transmission of a coded radio signal includes
2421 a transmission by message or sound.
- 2422 (90) "Pawn transaction" means the same as that term is defined in Section 13-32a-102.
- 2423 (91) "Pawnbroker" means the same as that term is defined in Section 13-32a-102.
- 2424 (92)(a) "Permanently attached to real property" means that for tangible personal
2425 property attached to real property:
- 2426 (i) the attachment of the tangible personal property to the real property:
- 2427 (A) is essential to the use of the tangible personal property; and
- 2428 (B) suggests that the tangible personal property will remain attached to the real
2429 property in the same place over the useful life of the tangible personal
2430 property; or
- 2431 (ii) if the tangible personal property is detached from the real property, the
2432 detachment would:
- 2433 (A) cause substantial damage to the tangible personal property; or
- 2434 (B) require substantial alteration or repair of the real property to which the
2435 tangible personal property is attached.
- 2436 (b) "Permanently attached to real property" includes:
- 2437 (i) the attachment of an accessory to the tangible personal property if the accessory is:
- 2438 (A) essential to the operation of the tangible personal property; and
- 2439 (B) attached only to facilitate the operation of the tangible personal property;
- 2440 (ii) a temporary detachment of tangible personal property from real property for a
2441 repair or renovation if the repair or renovation is performed where the tangible
2442 personal property and real property are located; or
- 2443 (iii) property attached to oil, gas, or water pipelines, except for the property listed in
2444 Subsection (92)(c)(iii) or (iv).

- 2445 (c) "Permanently attached to real property" does not include:
- 2446 (i) the attachment of portable or movable tangible personal property to real property
- 2447 if that portable or movable tangible personal property is attached to real property
- 2448 only for:
- 2449 (A) convenience;
- 2450 (B) stability; or
- 2451 (C) for an obvious temporary purpose;
- 2452 (ii) the detachment of tangible personal property from real property except for the
- 2453 detachment described in Subsection (92)(b)(ii);
- 2454 (iii) an attachment of the following tangible personal property to real property if the
- 2455 attachment to real property is only through a line that supplies water, electricity,
- 2456 gas, telecommunications, cable, or supplies a similar item as determined by the
- 2457 commission by rule made in accordance with Title 63G, Chapter 3, Utah
- 2458 Administrative Rulemaking Act:
- 2459 (A) a computer;
- 2460 (B) a telephone;
- 2461 (C) a television; or
- 2462 (D) tangible personal property similar to Subsections (92)(c)(iii)(A) through (C)
- 2463 as determined by the commission by rule made in accordance with Title 63G,
- 2464 Chapter 3, Utah Administrative Rulemaking Act; or
- 2465 (iv) an item listed in Subsection (137)(c).
- 2466 (93) "Person" includes any individual, firm, partnership, joint venture, association,
- 2467 corporation, estate, trust, business trust, receiver, syndicate, this state, any county, city,
- 2468 municipality, district, or other local governmental entity of the state, or any group or
- 2469 combination acting as a unit.
- 2470 (94) "Place of primary use":
- 2471 (a) for telecommunications service other than mobile telecommunications service,
- 2472 means the street address representative of where the customer's use of the
- 2473 telecommunications service primarily occurs, which shall be:
- 2474 (i) the residential street address of the customer; or
- 2475 (ii) the primary business street address of the customer; or
- 2476 (b) for mobile telecommunications service, means the same as that term is defined in the
- 2477 Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 124.
- 2478 (95)(a) "Postpaid calling service" means a telecommunications service a person obtains

- 2479 by making a payment on a call-by-call basis:
- 2480 (i) through the use of a:
- 2481 (A) bank card;
- 2482 (B) credit card;
- 2483 (C) debit card; or
- 2484 (D) travel card; or
- 2485 (ii) by a charge made to a telephone number that is not associated with the origination
- 2486 or termination of the telecommunications service.
- 2487 (b) "Postpaid calling service" includes a service, except for a prepaid wireless calling
- 2488 service, that would be a prepaid wireless calling service if the service were
- 2489 exclusively a telecommunications service.
- 2490 (96) "Postproduction" means an activity related to the finishing or duplication of a medium
- 2491 described in Subsection 59-12-104(54)(a).
- 2492 (97) "Prepaid calling service" means a telecommunications service:
- 2493 (a) that allows a purchaser access to telecommunications service that is exclusively
- 2494 telecommunications service;
- 2495 (b) that:
- 2496 (i) is paid for in advance; and
- 2497 (ii) enables the origination of a call using an:
- 2498 (A) access number; or
- 2499 (B) authorization code;
- 2500 (c) that is dialed:
- 2501 (i) manually; or
- 2502 (ii) electronically; and
- 2503 (d) sold in predetermined units or dollars that decline:
- 2504 (i) by a known amount; and
- 2505 (ii) with use.
- 2506 (98) "Prepaid wireless calling service" means a telecommunications service:
- 2507 (a) that provides the right to utilize:
- 2508 (i) mobile wireless service; and
- 2509 (ii) other service that is not a telecommunications service, including:
- 2510 (A) the download of a product transferred electronically;
- 2511 (B) a content service; or
- 2512 (C) an ancillary service;

- 2513 (b) that:
- 2514 (i) is paid for in advance; and
- 2515 (ii) enables the origination of a call using an:
- 2516 (A) access number; or
- 2517 (B) authorization code;
- 2518 (c) that is dialed:
- 2519 (i) manually; or
- 2520 (ii) electronically; and
- 2521 (d) sold in predetermined units or dollars that decline:
- 2522 (i) by a known amount; and
- 2523 (ii) with use.
- 2524 (99)(a) "Prepared food" means:
- 2525 (i) food:
- 2526 (A) sold in a heated state; or
- 2527 (B) heated by a seller;
- 2528 (ii) two or more food ingredients mixed or combined by the seller for sale as a single
- 2529 item; or
- 2530 (iii) except as provided in Subsection (99)(c), food sold with an eating utensil
- 2531 provided by the seller, including a:
- 2532 (A) plate;
- 2533 (B) knife;
- 2534 (C) fork;
- 2535 (D) spoon;
- 2536 (E) glass;
- 2537 (F) cup;
- 2538 (G) napkin; or
- 2539 (H) straw.
- 2540 (b) "Prepared food" does not include:
- 2541 (i) food that a seller only:
- 2542 (A) cuts;
- 2543 (B) repackages; or
- 2544 (C) pasteurizes;
- 2545 (ii)(A) the following:
- 2546 (I) raw egg;

- 2547 (II) raw fish;
- 2548 (III) raw meat;
- 2549 (IV) raw poultry; or
- 2550 (V) a food containing an item described in Subsections (99)(b)(ii)(A)(I)
- 2551 through (IV); and
- 2552 (B) if the Food and Drug Administration recommends in Chapter 3, Part 401.11 of
- 2553 the Food and Drug Administration's Food Code that a consumer cook the items
- 2554 described in Subsection (99)(b)(ii)(A) to prevent food borne illness; or
- 2555 (iii) the following if sold without eating utensils provided by the seller:
- 2556 (A) food and food ingredients sold by a seller if the seller's proper primary
- 2557 classification under the 2002 North American Industry Classification System
- 2558 of the federal Executive Office of the President, Office of Management and
- 2559 Budget, is manufacturing in Sector 311, Food Manufacturing, except for
- 2560 Subsector 3118, Bakeries and Tortilla Manufacturing;
- 2561 (B) food and food ingredients sold in an unheated state:
- 2562 (I) by weight or volume; and
- 2563 (II) as a single item; or
- 2564 (C) a bakery item, including:
- 2565 (I) a bagel;
- 2566 (II) a bar;
- 2567 (III) a biscuit;
- 2568 (IV) bread;
- 2569 (V) a bun;
- 2570 (VI) a cake;
- 2571 (VII) a cookie;
- 2572 (VIII) a croissant;
- 2573 (IX) a danish;
- 2574 (X) a donut;
- 2575 (XI) a muffin;
- 2576 (XII) a pastry;
- 2577 (XIII) a pie;
- 2578 (XIV) a roll;
- 2579 (XV) a tart;
- 2580 (XVI) a torte; or

- 2581 (XVII) a tortilla.
- 2582 (c) An eating utensil provided by the seller does not include the following used to
2583 transport the food:
- 2584 (i) a container; or
2585 (ii) packaging.
- 2586 (100) "Prescription" means an order, formula, or recipe that is issued:
- 2587 (a)(i) orally;
2588 (ii) in writing;
2589 (iii) electronically; or
2590 (iv) by any other manner of transmission; and
2591 (b) by a licensed practitioner authorized by the laws of a state.
- 2592 (101)(a) "Prewritten computer software" means computer software that is not designed
2593 and developed:
- 2594 (i) by the author or other creator of the computer software; and
2595 (ii) to the specifications of a specific purchaser.
- 2596 (b) "Prewritten computer software" includes:
- 2597 (i) a prewritten upgrade to computer software if the prewritten upgrade to the
2598 computer software is not designed and developed:
- 2599 (A) by the author or other creator of the computer software; and
2600 (B) to the specifications of a specific purchaser;
- 2601 (ii) computer software designed and developed by the author or other creator of the
2602 computer software to the specifications of a specific purchaser if the computer
2603 software is sold to a person other than the purchaser; or
2604 (iii) except as provided in Subsection (101)(c), prewritten computer software or a
2605 prewritten portion of prewritten computer software:
- 2606 (A) that is modified or enhanced to any degree; and
2607 (B) if the modification or enhancement described in Subsection (101)(b)(iii)(A) is
2608 designed and developed to the specifications of a specific purchaser.
- 2609 (c) "Prewritten computer software" does not include a modification or enhancement
2610 described in Subsection (101)(b)(iii) if the charges for the modification or
2611 enhancement are:
- 2612 (i) reasonable; and
2613 (ii) subject to Subsections 59-12-103(2)(f)(ii) and (2)(g)(i), separately stated on the
2614 invoice or other statement of price provided to the purchaser at the time of sale or

- 2615 later, as demonstrated by:
- 2616 (A) the books and records the seller keeps at the time of the transaction in the
- 2617 regular course of business, including books and records the seller keeps at the
- 2618 time of the transaction in the regular course of business for nontax purposes;
- 2619 (B) a preponderance of the facts and circumstances at the time of the transaction;
- 2620 and
- 2621 (C) the understanding of all of the parties to the transaction.
- 2622 (102)(a) "Private communications service" means a telecommunications service:
- 2623 (i) that entitles a customer to exclusive or priority use of one or more
- 2624 communications channels between or among termination points; and
- 2625 (ii) regardless of the manner in which the one or more communications channels are
- 2626 connected.
- 2627 (b) "Private communications service" includes the following provided in connection
- 2628 with the use of one or more communications channels:
- 2629 (i) an extension line;
- 2630 (ii) a station;
- 2631 (iii) switching capacity; or
- 2632 (iv) another associated service that is provided in connection with the use of one or
- 2633 more communications channels as defined in Section 59-12-215.
- 2634 (103)(a) "Product transferred electronically" means a product transferred electronically
- 2635 that would be subject to a tax under this chapter if that product was transferred in a
- 2636 manner other than electronically.
- 2637 (b) "Product transferred electronically" does not include:
- 2638 (i) an ancillary service;
- 2639 (ii) computer software; or
- 2640 (iii) a telecommunications service.
- 2641 (104)(a) "Prosthetic device" means a device that is worn on or in the body to:
- 2642 (i) artificially replace a missing portion of the body;
- 2643 (ii) prevent or correct a physical deformity or physical malfunction; or
- 2644 (iii) support a weak or deformed portion of the body.
- 2645 (b) "Prosthetic device" includes:
- 2646 (i) parts used in the repairs or renovation of a prosthetic device;
- 2647 (ii) replacement parts for a prosthetic device;
- 2648 (iii) a dental prosthesis; or

- 2649 (iv) a hearing aid.
- 2650 (c) "Prosthetic device" does not include:
- 2651 (i) corrective eyeglasses; or
- 2652 (ii) contact lenses.
- 2653 (105)(a) "Protective equipment" means an item:
- 2654 (i) for human wear; and
- 2655 (ii) that is:
- 2656 (A) designed as protection:
- 2657 (I) to the wearer against injury or disease; or
- 2658 (II) against damage or injury of other persons or property; and
- 2659 (B) not suitable for general use.
- 2660 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 2661 commission shall make rules:
- 2662 (i) listing the items that constitute "protective equipment"; and
- 2663 (ii) that are consistent with the list of items that constitute "protective equipment"
- 2664 under the agreement.
- 2665 (106)(a) For purposes of Subsection 59-12-104(41), "publication" means any written or
- 2666 printed matter, other than a photocopy:
- 2667 (i) regardless of:
- 2668 (A) characteristics;
- 2669 (B) copyright;
- 2670 (C) form;
- 2671 (D) format;
- 2672 (E) method of reproduction; or
- 2673 (F) source; and
- 2674 (ii) made available in printed or electronic format.
- 2675 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 2676 commission may by rule define the term "photocopy."
- 2677 (107)(a) "Purchase price" and "sales price" mean the total amount of consideration:
- 2678 (i) valued in money; and
- 2679 (ii) for which tangible personal property, a product transferred electronically, or
- 2680 services are:
- 2681 (A) sold;
- 2682 (B) leased; or

- 2683 (C) rented.
- 2684 (b) "Purchase price" and "sales price" include:
- 2685 (i) the seller's cost of the tangible personal property, a product transferred
- 2686 electronically, or services sold;
- 2687 (ii) expenses of the seller, including:
- 2688 (A) the cost of materials used;
- 2689 (B) a labor cost;
- 2690 (C) a service cost;
- 2691 (D) interest;
- 2692 (E) a loss;
- 2693 (F) the cost of transportation to the seller; or
- 2694 (G) a tax imposed on the seller;
- 2695 (iii) a charge by the seller for any service necessary to complete the sale; or
- 2696 (iv) consideration a seller receives from a person other than the purchaser if:
- 2697 (A)(I) the seller actually receives consideration from a person other than the
- 2698 purchaser; and
- 2699 (II) the consideration described in Subsection (107)(b)(iv)(A)(I) is directly
- 2700 related to a price reduction or discount on the sale;
- 2701 (B) the seller has an obligation to pass the price reduction or discount through to
- 2702 the purchaser;
- 2703 (C) the amount of the consideration attributable to the sale is fixed and
- 2704 determinable by the seller at the time of the sale to the purchaser; and
- 2705 (D)(I)(Aa) the purchaser presents a certificate, coupon, or other
- 2706 documentation to the seller to claim a price reduction or discount; and
- 2707 (Bb) a person other than the seller authorizes, distributes, or grants the
- 2708 certificate, coupon, or other documentation with the understanding that
- 2709 the person other than the seller will reimburse any seller to whom the
- 2710 certificate, coupon, or other documentation is presented;
- 2711 (II) the purchaser identifies that purchaser to the seller as a member of a group
- 2712 or organization allowed a price reduction or discount, except that a
- 2713 preferred customer card that is available to any patron of a seller does not
- 2714 constitute membership in a group or organization allowed a price reduction
- 2715 or discount; or
- 2716 (III) the price reduction or discount is identified as a third party price reduction

- 2717 or discount on the:
- 2718 (Aa) invoice the purchaser receives; or
- 2719 (Bb) certificate, coupon, or other documentation the purchaser presents.
- 2720 (c) "Purchase price" and "sales price" do not include:
- 2721 (i) a discount:
- 2722 (A) in a form including:
- 2723 (I) cash;
- 2724 (II) term; or
- 2725 (III) coupon;
- 2726 (B) that is allowed by a seller;
- 2727 (C) taken by a purchaser on a sale; and
- 2728 (D) that is not reimbursed by a third party; or
- 2729 (ii) subject to Subsections 59-12-103(2)(f)(ii) and (2)(g)(i), the following if
- 2730 separately stated on an invoice, bill of sale, or similar document provided to the
- 2731 purchaser at the time of sale or later, as demonstrated by the books and records the
- 2732 seller keeps at the time of the transaction in the regular course of business,
- 2733 including books and records the seller keeps at the time of the transaction in the
- 2734 regular course of business for nontax purposes, by a preponderance of the facts
- 2735 and circumstances at the time of the transaction, and by the understanding of all of
- 2736 the parties to the transaction:
- 2737 (A) the following from credit extended on the sale of tangible personal property or
- 2738 services:
- 2739 (I) a carrying charge;
- 2740 (II) a financing charge; or
- 2741 (III) an interest charge;
- 2742 (B) a delivery charge;
- 2743 (C) an installation charge;
- 2744 (D) a manufacturer rebate on a motor vehicle; or
- 2745 (E) a tax or fee legally imposed directly on the consumer.
- 2746 (108) "Purchaser" means a person to whom:
- 2747 (a) a sale of tangible personal property is made;
- 2748 (b) a product is transferred electronically; or
- 2749 (c) a service is furnished.
- 2750 (109) "Qualifying data center" means a data center facility that:

- 2751 (a) houses a group of networked server computers in one physical location in order to
2752 disseminate, manage, and store data and information;
- 2753 (b) is located in the state;
- 2754 (c) is a new operation constructed on or after July 1, 2016;
- 2755 (d) consists of one or more buildings that total 150,000 or more square feet;
- 2756 (e) is owned or leased by:
- 2757 (i) the operator of the data center facility; or
- 2758 (ii) a person under common ownership, as defined in Section 59-7-101, of the
2759 operator of the data center facility; and
- 2760 (f) is located on one or more parcels of land that are owned or leased by:
- 2761 (i) the operator of the data center facility; or
- 2762 (ii) a person under common ownership, as defined in Section 59-7-101, of the
2763 operator of the data center facility.
- 2764 (110) "Regularly rented" means:
- 2765 (a) rented to a guest for value three or more times during a calendar year; or
- 2766 (b) advertised or held out to the public as a place that is regularly rented to guests for
2767 value.
- 2768 (111) "Rental" means the same as that term is defined in Subsection (63).
- 2769 (112)(a) "Repairs or renovations of tangible personal property" means:
- 2770 (i) a repair or renovation of tangible personal property that is not permanently
2771 attached to real property; or
- 2772 (ii) attaching tangible personal property or a product transferred electronically to
2773 other tangible personal property or detaching tangible personal property or a
2774 product transferred electronically from other tangible personal property if:
- 2775 (A) the other tangible personal property to which the tangible personal property or
2776 product transferred electronically is attached or from which the tangible
2777 personal property or product transferred electronically is detached is not
2778 permanently attached to real property; and
- 2779 (B) the attachment of tangible personal property or a product transferred
2780 electronically to other tangible personal property or detachment of tangible
2781 personal property or a product transferred electronically from other tangible
2782 personal property is made in conjunction with a repair or replacement of
2783 tangible personal property or a product transferred electronically.
- 2784 (b) "Repairs or renovations of tangible personal property" does not include:

- 2785 (i) attaching prewritten computer software to other tangible personal property if the
2786 other tangible personal property to which the prewritten computer software is
2787 attached is not permanently attached to real property; or
- 2788 (ii) detaching prewritten computer software from other tangible personal property if
2789 the other tangible personal property from which the prewritten computer software
2790 is detached is not permanently attached to real property.
- 2791 (113) "Research and development" means the process of inquiry or experimentation aimed
2792 at the discovery of facts, devices, technologies, or applications and the process of
2793 preparing those devices, technologies, or applications for marketing.
- 2794 (114)(a) "Residential telecommunications services" means a telecommunications
2795 service or an ancillary service that is provided to an individual for personal use:
- 2796 (i) at a residential address; or
- 2797 (ii) at an institution, including a nursing home or a school, if the telecommunications
2798 service or ancillary service is provided to and paid for by the individual residing at
2799 the institution rather than the institution.
- 2800 (b) For purposes of Subsection (114)(a)(i), a residential address includes an:
- 2801 (i) apartment; or
- 2802 (ii) other individual dwelling unit.
- 2803 (115) "Residential use" means the use in or around a home, apartment building, sleeping
2804 quarters, and similar facilities or accommodations.
- 2805 (116) "Retail sale" or "sale at retail" means a sale, lease, or rental for a purpose other than:
- 2806 (a) resale;
- 2807 (b) sublease; or
- 2808 (c) subrent.
- 2809 (117)(a) "Retailer" means any person, unless prohibited by the Constitution of the
2810 United States or federal law, that is engaged in a regularly organized business in
2811 tangible personal property or any other taxable transaction under Subsection
2812 59-12-103(1), and who is selling to the user or consumer and not for resale.
- 2813 (b) "Retailer" includes commission merchants, auctioneers, and any person regularly
2814 engaged in the business of selling to users or consumers within the state.
- 2815 (118)(a) "Sale" means any transfer of title, exchange, or barter, conditional or
2816 otherwise, in any manner, of tangible personal property or any other taxable
2817 transaction under Subsection 59-12-103(1), for consideration.
- 2818 (b) "Sale" includes:

- 2819 (i) installment and credit sales;
- 2820 (ii) any closed transaction constituting a sale;
- 2821 (iii) any sale of electrical energy, gas, services, or entertainment taxable under this
- 2822 chapter;
- 2823 (iv) any transaction if the possession of property is transferred but the seller retains
- 2824 the title as security for the payment of the price; and
- 2825 (v) any transaction under which right to possession, operation, or use of any article of
- 2826 tangible personal property is granted under a lease or contract and the transfer of
- 2827 possession would be taxable if an outright sale were made.
- 2828 (119) "Sale at retail" means the same as that term is defined in Subsection (116).
- 2829 (120) "Sale-leaseback transaction" means a transaction by which title to tangible personal
- 2830 property or a product transferred electronically that is subject to a tax under this chapter
- 2831 is transferred:
- 2832 (a) by a purchaser-lessee;
- 2833 (b) to a lessor;
- 2834 (c) for consideration; and
- 2835 (d) if:
- 2836 (i) the purchaser-lessee paid sales and use tax on the purchaser-lessee's initial
- 2837 purchase of the tangible personal property or product transferred electronically;
- 2838 (ii) the sale of the tangible personal property or product transferred electronically to
- 2839 the lessor is intended as a form of financing:
- 2840 (A) for the tangible personal property or product transferred electronically; and
- 2841 (B) to the purchaser-lessee; and
- 2842 (iii) in accordance with generally accepted accounting principles, the
- 2843 purchaser-lessee is required to:
- 2844 (A) capitalize the tangible personal property or product transferred electronically
- 2845 for financial reporting purposes; and
- 2846 (B) account for the lease payments as payments made under a financing
- 2847 arrangement.
- 2848 (121) "Sales price" means the same as that term is defined in Subsection (107).
- 2849 (122)(a) "Sales relating to schools" means the following sales by, amounts paid to, or
- 2850 amounts charged by a school:
- 2851 (i) sales that are directly related to the school's educational functions or activities
- 2852 including:

- 2853 (A) the sale of:
- 2854 (I) textbooks;
- 2855 (II) textbook fees;
- 2856 (III) laboratory fees;
- 2857 (IV) laboratory supplies; or
- 2858 (V) safety equipment;
- 2859 (B) the sale of a uniform, protective equipment, or sports or recreational
- 2860 equipment that:
- 2861 (I) a student is specifically required to wear as a condition of participation in a
- 2862 school-related event or school-related activity; and
- 2863 (II) is not readily adaptable to general or continued usage to the extent that it
- 2864 takes the place of ordinary clothing;
- 2865 (C) sales of the following if the net or gross revenue generated by the sales is
- 2866 deposited into a school district fund or school fund dedicated to school meals:
- 2867 (I) food and food ingredients; or
- 2868 (II) prepared food; or
- 2869 (D) transportation charges for official school activities; or
- 2870 (ii) amounts paid to or amounts charged by a school for admission to a school-related
- 2871 event or school-related activity.
- 2872 (b) "Sales relating to schools" does not include:
- 2873 (i) bookstore sales of items that are not educational materials or supplies;
- 2874 (ii) except as provided in Subsection (122)(a)(i)(B):
- 2875 (A) clothing;
- 2876 (B) clothing accessories or equipment;
- 2877 (C) protective equipment; or
- 2878 (D) sports or recreational equipment; or
- 2879 (iii) amounts paid to or amounts charged by a school for admission to a
- 2880 school-related event or school-related activity if the amounts paid or charged are
- 2881 passed through to a person:
- 2882 (A) other than a:
- 2883 (I) school;
- 2884 (II) nonprofit organization authorized by a school board or a governing body of
- 2885 a private school to organize and direct a competitive secondary school
- 2886 activity; or

- 2887 (III) nonprofit association authorized by a school board or a governing body of
2888 a private school to organize and direct a competitive secondary school
2889 activity; and
- 2890 (B) that is required to collect sales and use taxes under this chapter.
- 2891 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2892 commission may make rules defining the term "passed through."
- 2893 (123) For purposes of this section and Section 59-12-104, "school" means:
- 2894 (a) an elementary school or a secondary school that:
- 2895 (i) is a:
- 2896 (A) public school; or
2897 (B) private school; and
- 2898 (ii) provides instruction for one or more grades kindergarten through 12; or
2899 (b) a public school district.
- 2900 (124)(a) "Seller" means a person that makes a sale, lease, or rental of:
- 2901 (i) tangible personal property;
2902 (ii) a product transferred electronically; or
2903 (iii) a service.
- 2904 (b) "Seller" includes a marketplace facilitator.
- 2905 (125)(a) "Semiconductor fabricating, processing, research, or development materials"
2906 means tangible personal property or a product transferred electronically if the
2907 tangible personal property or product transferred electronically is:
- 2908 (i) used primarily in the process of:
- 2909 (A)(I) manufacturing a semiconductor;
2910 (II) fabricating a semiconductor; or
2911 (III) research or development of a:
- 2912 (Aa) semiconductor; or
2913 (Bb) semiconductor manufacturing process; or
2914 (B) maintaining an environment suitable for a semiconductor; or
- 2915 (ii) consumed primarily in the process of:
- 2916 (A)(I) manufacturing a semiconductor;
2917 (II) fabricating a semiconductor; or
2918 (III) research or development of a:
- 2919 (Aa) semiconductor; or
2920 (Bb) semiconductor manufacturing process; or

- 2921 (B) maintaining an environment suitable for a semiconductor.
- 2922 (b) "Semiconductor fabricating, processing, research, or development materials"
- 2923 includes:
- 2924 (i) parts used in the repairs or renovations of tangible personal property or a product
- 2925 transferred electronically described in Subsection (125)(a); or
- 2926 (ii) a chemical, catalyst, or other material used to:
- 2927 (A) produce or induce in a semiconductor a:
- 2928 (I) chemical change; or
- 2929 (II) physical change;
- 2930 (B) remove impurities from a semiconductor; or
- 2931 (C) improve the marketable condition of a semiconductor.
- 2932 (126) "Senior citizen center" means a facility having the primary purpose of providing
- 2933 services to the aged as defined in Section 26B-6-101.
- 2934 (127) "Shared vehicle" means the same as that term is defined in Section 13-48a-101.
- 2935 (128) "Shared vehicle driver" means the same as that term is defined in Section 13-48a-101.
- 2936 (129) "Shared vehicle owner" means the same as that term is defined in Section 13-48a-101.
- 2937 (130)(a) Subject to Subsections (130)(b) and (c), "short-term lodging consumable"
- 2938 means tangible personal property that:
- 2939 (i) a business that provides accommodations and services described in Subsection
- 2940 59-12-103(1)(i) purchases as part of a transaction to provide the accommodations
- 2941 and services to a purchaser;
- 2942 (ii) is intended to be consumed by the purchaser; and
- 2943 (iii) is:
- 2944 (A) included in the purchase price of the accommodations and services; and
- 2945 (B) not separately stated on an invoice, bill of sale, or other similar document
- 2946 provided to the purchaser.
- 2947 (b) "Short-term lodging consumable" includes:
- 2948 (i) a beverage;
- 2949 (ii) a brush or comb;
- 2950 (iii) a cosmetic;
- 2951 (iv) a hair care product;
- 2952 (v) lotion;
- 2953 (vi) a magazine;
- 2954 (vii) makeup;

- 2955 (viii) a meal;
- 2956 (ix) mouthwash;
- 2957 (x) nail polish remover;
- 2958 (xi) a newspaper;
- 2959 (xii) a notepad;
- 2960 (xiii) a pen;
- 2961 (xiv) a pencil;
- 2962 (xv) a razor;
- 2963 (xvi) saline solution;
- 2964 (xvii) a sewing kit;
- 2965 (xviii) shaving cream;
- 2966 (xix) a shoe shine kit;
- 2967 (xx) a shower cap;
- 2968 (xxi) a snack item;
- 2969 (xxii) soap;
- 2970 (xxiii) toilet paper;
- 2971 (xxiv) a toothbrush;
- 2972 (xxv) toothpaste; or
- 2973 (xxvi) an item similar to Subsections (130)(b)(i) through (xxv) as the commission
 2974 may provide by rule made in accordance with Title 63G, Chapter 3, Utah
 2975 Administrative Rulemaking Act.
- 2976 (c) "Short-term lodging consumable" does not include:
- 2977 (i) tangible personal property that is cleaned or washed to allow the tangible personal
 2978 property to be reused; or
- 2979 (ii) a product transferred electronically.
- 2980 (131)(a) "Short-term rental" means a lease or rental for less than 30 consecutive days.
- 2981 (b) "Short-term rental" does not include car sharing.
- 2982 (132) "Simplified electronic return" means the electronic return:
- 2983 (a) described in Section 318(C) of the agreement; and
- 2984 (b) approved by the governing board of the agreement.
- 2985 (133) "Solar energy" means the sun used as the sole source of energy for producing
 2986 electricity.
- 2987 (134)(a) "Sports or recreational equipment" means an item:
- 2988 (i) designed for human use; and

- 2989 (ii) that is:
- 2990 (A) worn in conjunction with:
- 2991 (I) an athletic activity; or
- 2992 (II) a recreational activity; and
- 2993 (B) not suitable for general use.
- 2994 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 2995 commission shall make rules:
- 2996 (i) listing the items that constitute "sports or recreational equipment"; and
- 2997 (ii) that are consistent with the list of items that constitute "sports or recreational
- 2998 equipment" under the agreement.
- 2999 (135) "State" means the state of Utah, its departments, and agencies.
- 3000 (136) "Storage" means any keeping or retention of tangible personal property or any other
- 3001 taxable transaction under Subsection 59-12-103(1), in this state for any purpose except
- 3002 sale in the regular course of business.
- 3003 (137)(a) "Tangible personal property" means personal property that:
- 3004 (i) may be:
- 3005 (A) seen;
- 3006 (B) weighed;
- 3007 (C) measured;
- 3008 (D) felt; or
- 3009 (E) touched; or
- 3010 (ii) is in any manner perceptible to the senses.
- 3011 (b) "Tangible personal property" includes:
- 3012 (i) electricity;
- 3013 (ii) water;
- 3014 (iii) gas;
- 3015 (iv) steam; or
- 3016 (v) prewritten computer software, regardless of the manner in which the prewritten
- 3017 computer software is transferred.
- 3018 (c) "Tangible personal property" includes the following regardless of whether the item is
- 3019 attached to real property:
- 3020 (i) a dishwasher;
- 3021 (ii) a dryer;
- 3022 (iii) a freezer;

- 3023 (iv) a microwave;
- 3024 (v) a refrigerator;
- 3025 (vi) a stove;
- 3026 (vii) a washer; or
- 3027 (viii) an item similar to Subsections (137)(c)(i) through (vii) as determined by the
- 3028 commission by rule made in accordance with Title 63G, Chapter 3, Utah
- 3029 Administrative Rulemaking Act.
- 3030 (d) "Tangible personal property" does not include a product that is transferred
- 3031 electronically.
- 3032 (e) "Tangible personal property" does not include the following if attached to real
- 3033 property, regardless of whether the attachment to real property is only through a line
- 3034 that supplies water, electricity, gas, telephone, cable, or supplies a similar item as
- 3035 determined by the commission by rule made in accordance with Title 63G, Chapter 3,
- 3036 Utah Administrative Rulemaking Act:
- 3037 (i) a hot water heater;
- 3038 (ii) a water filtration system; or
- 3039 (iii) a water softener system.
- 3040 (138)(a) "Telecommunications enabling or facilitating equipment, machinery, or
- 3041 software" means an item listed in Subsection (138)(b) if that item is purchased or
- 3042 leased primarily to enable or facilitate one or more of the following to function:
- 3043 (i) telecommunications switching or routing equipment, machinery, or software; or
- 3044 (ii) telecommunications transmission equipment, machinery, or software.
- 3045 (b) The following apply to Subsection (138)(a):
- 3046 (i) a pole;
- 3047 (ii) software;
- 3048 (iii) a supplementary power supply;
- 3049 (iv) temperature or environmental equipment or machinery;
- 3050 (v) test equipment;
- 3051 (vi) a tower; or
- 3052 (vii) equipment, machinery, or software that functions similarly to an item listed in
- 3053 Subsections (138)(b)(i) through (vi) as determined by the commission by rule
- 3054 made in accordance with Subsection (138)(c).
- 3055 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 3056 commission may by rule define what constitutes equipment, machinery, or software

- 3057 that functions similarly to an item listed in Subsections (138)(b)(i) through (vi).
- 3058 (139) "Telecommunications equipment, machinery, or software required for 911 service"
- 3059 means equipment, machinery, or software that is required to comply with 47 C.F.R. Sec.
- 3060 20.18.
- 3061 (140) "Telecommunications maintenance or repair equipment, machinery, or software"
- 3062 means equipment, machinery, or software purchased or leased primarily to maintain or
- 3063 repair one or more of the following, regardless of whether the equipment, machinery, or
- 3064 software is purchased or leased as a spare part or as an upgrade or modification to one or
- 3065 more of the following:
- 3066 (a) telecommunications enabling or facilitating equipment, machinery, or software;
- 3067 (b) telecommunications switching or routing equipment, machinery, or software; or
- 3068 (c) telecommunications transmission equipment, machinery, or software.
- 3069 (141)(a) "Telecommunications service" means the electronic conveyance, routing, or
- 3070 transmission of audio, data, video, voice, or any other information or signal to a
- 3071 point, or among or between points.
- 3072 (b) "Telecommunications service" includes:
- 3073 (i) an electronic conveyance, routing, or transmission with respect to which a
- 3074 computer processing application is used to act:
- 3075 (A) on the code, form, or protocol of the content;
- 3076 (B) for the purpose of electronic conveyance, routing, or transmission; and
- 3077 (C) regardless of whether the service:
- 3078 (I) is referred to as voice over Internet protocol service; or
- 3079 (II) is classified by the Federal Communications Commission as enhanced or
- 3080 value added;
- 3081 (ii) an 800 service;
- 3082 (iii) a 900 service;
- 3083 (iv) a fixed wireless service;
- 3084 (v) a mobile wireless service;
- 3085 (vi) a postpaid calling service;
- 3086 (vii) a prepaid calling service;
- 3087 (viii) a prepaid wireless calling service; or
- 3088 (ix) a private communications service.
- 3089 (c) "Telecommunications service" does not include:
- 3090 (i) advertising, including directory advertising;

- 3091 (ii) an ancillary service;
- 3092 (iii) a billing and collection service provided to a third party;
- 3093 (iv) a data processing and information service if:
- 3094 (A) the data processing and information service allows data to be:
- 3095 (I)(Aa) acquired;
- 3096 (Bb) generated;
- 3097 (Cc) processed;
- 3098 (Dd) retrieved; or
- 3099 (Ee) stored; and
- 3100 (II) delivered by an electronic transmission to a purchaser; and
- 3101 (B) the purchaser's primary purpose for the underlying transaction is the processed
- 3102 data or information;
- 3103 (v) installation or maintenance of the following on a customer's premises:
- 3104 (A) equipment; or
- 3105 (B) wiring;
- 3106 (vi) Internet access service;
- 3107 (vii) a paging service;
- 3108 (viii) a product transferred electronically, including:
- 3109 (A) music;
- 3110 (B) reading material;
- 3111 (C) a ring tone;
- 3112 (D) software; or
- 3113 (E) video;
- 3114 (ix) a radio and television audio and video programming service:
- 3115 (A) regardless of the medium; and
- 3116 (B) including:
- 3117 (I) furnishing conveyance, routing, or transmission of a television audio and
- 3118 video programming service by a programming service provider;
- 3119 (II) cable service as defined in 47 U.S.C. Sec. 522(6); or
- 3120 (III) audio and video programming services delivered by a commercial mobile
- 3121 radio service provider as defined in 47 C.F.R. Sec. 20.3;
- 3122 (x) a value-added nonvoice data service; or
- 3123 (xi) tangible personal property.
- 3124 (142)(a) "Telecommunications service provider" means a person that:

- 3125 (i) owns, controls, operates, or manages a telecommunications service; and
 3126 (ii) engages in an activity described in Subsection (142)(a)(i) for the shared use with
 3127 or resale to any person of the telecommunications service.
- 3128 (b) A person described in Subsection (142)(a) is a telecommunications service provider
 3129 whether or not the Public Service Commission of Utah regulates:
- 3130 (i) that person; or
 3131 (ii) the telecommunications service that the person owns, controls, operates, or
 3132 manages.
- 3133 (143)(a) "Telecommunications switching or routing equipment, machinery, or software"
 3134 means an item listed in Subsection (143)(b) if that item is purchased or leased
 3135 primarily for switching or routing:
- 3136 (i) an ancillary service;
 3137 (ii) data communications;
 3138 (iii) voice communications; or
 3139 (iv) telecommunications service.
- 3140 (b) The following apply to Subsection (143)(a):
- 3141 (i) a bridge;
 3142 (ii) a computer;
 3143 (iii) a cross connect;
 3144 (iv) a modem;
 3145 (v) a multiplexer;
 3146 (vi) plug in circuitry;
 3147 (vii) a router;
 3148 (viii) software;
 3149 (ix) a switch; or
 3150 (x) equipment, machinery, or software that functions similarly to an item listed in
 3151 Subsections (143)(b)(i) through (ix) as determined by the commission by rule
 3152 made in accordance with Subsection (143)(c).
- 3153 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 3154 commission may by rule define what constitutes equipment, machinery, or software
 3155 that functions similarly to an item listed in Subsections (143)(b)(i) through (ix).
- 3156 (144)(a) "Telecommunications transmission equipment, machinery, or software" means
 3157 an item listed in Subsection (144)(b) if that item is purchased or leased primarily for
 3158 sending, receiving, or transporting:

- 3159 (i) an ancillary service;
- 3160 (ii) data communications;
- 3161 (iii) voice communications; or
- 3162 (iv) telecommunications service.
- 3163 (b) The following apply to Subsection (144)(a):
- 3164 (i) an amplifier;
- 3165 (ii) a cable;
- 3166 (iii) a closure;
- 3167 (iv) a conduit;
- 3168 (v) a controller;
- 3169 (vi) a duplexer;
- 3170 (vii) a filter;
- 3171 (viii) an input device;
- 3172 (ix) an input/output device;
- 3173 (x) an insulator;
- 3174 (xi) microwave machinery or equipment;
- 3175 (xii) an oscillator;
- 3176 (xiii) an output device;
- 3177 (xiv) a pedestal;
- 3178 (xv) a power converter;
- 3179 (xvi) a power supply;
- 3180 (xvii) a radio channel;
- 3181 (xviii) a radio receiver;
- 3182 (xix) a radio transmitter;
- 3183 (xx) a repeater;
- 3184 (xxi) software;
- 3185 (xxii) a terminal;
- 3186 (xxiii) a timing unit;
- 3187 (xxiv) a transformer;
- 3188 (xxv) a wire; or
- 3189 (xxvi) equipment, machinery, or software that functions similarly to an item listed in
- 3190 Subsections (144)(b)(i) through (xxv) as determined by the commission by rule
- 3191 made in accordance with Subsection (144)(c).
- 3192 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

- 3193 commission may by rule define what constitutes equipment, machinery, or software
3194 that functions similarly to an item listed in Subsections (144)(b)(i) through (xxv).
- 3195 (145)(a) "Textbook for a higher education course" means a textbook or other printed
3196 material that is required for a course:
- 3197 (i) offered by an institution of higher education; and
 - 3198 (ii) that the purchaser of the textbook or other printed material attends or will attend.
- 3199 (b) "Textbook for a higher education course" includes a textbook in electronic format.
- 3200 (146) "Tobacco" means:
- 3201 (a) a cigarette;
 - 3202 (b) a cigar;
 - 3203 (c) chewing tobacco;
 - 3204 (d) pipe tobacco; or
 - 3205 (e) any other item that contains tobacco.
- 3206 (147) "Unassisted amusement device" means an amusement device, skill device, or ride
3207 device that is started and stopped by the purchaser or renter of the right to use or operate
3208 the amusement device, skill device, or ride device.
- 3209 (148)(a) "Use" means the exercise of any right or power over tangible personal
3210 property, a product transferred electronically, or a service under Subsection 59-12-103
3211 (1), incident to the ownership or the leasing of that tangible personal property,
3212 product transferred electronically, or service.
- 3213 (b) "Use" does not include the sale, display, demonstration, or trial of tangible personal
3214 property, a product transferred electronically, or a service in the regular course of
3215 business and held for resale.
- 3216 (149) "Value-added nonvoice data service" means a service:
- 3217 (a) that otherwise meets the definition of a telecommunications service except that a
3218 computer processing application is used to act primarily for a purpose other than
3219 conveyance, routing, or transmission; and
 - 3220 (b) with respect to which a computer processing application is used to act on data or
3221 information:
 - 3222 (i) code;
 - 3223 (ii) content;
 - 3224 (iii) form; or
 - 3225 (iv) protocol.
- 3226 (150)(a) Subject to Subsection (150)(b), "vehicle" means the following that are required

- 3227 to be titled, registered, or titled and registered:
- 3228 (i) an aircraft as defined in Section 72-10-102;
- 3229 (ii) a vehicle as defined in Section 41-1a-102;
- 3230 (iii) an off-highway vehicle as defined in Section 41-22-2; or
- 3231 (iv) a vessel as defined in Section 41-1a-102.
- 3232 (b) For purposes of Subsection 59-12-104(33) only, "vehicle" includes:
- 3233 (i) a vehicle described in Subsection (150)(a); or
- 3234 (ii)(A) a locomotive;
- 3235 (B) a freight car;
- 3236 (C) railroad work equipment; or
- 3237 (D) other railroad rolling stock.
- 3238 (151) "Vehicle dealer" means a person engaged in the business of buying, selling, or
- 3239 exchanging a vehicle as defined in Subsection (150).
- 3240 (152)(a) "Vertical service" means an ancillary service that:
- 3241 (i) is offered in connection with one or more telecommunications services; and
- 3242 (ii) offers an advanced calling feature that allows a customer to:
- 3243 (A) identify a caller; and
- 3244 (B) manage multiple calls and call connections.
- 3245 (b) "Vertical service" includes an ancillary service that allows a customer to manage a
- 3246 conference bridging service.
- 3247 (153)(a) "Voice mail service" means an ancillary service that enables a customer to
- 3248 receive, send, or store a recorded message.
- 3249 (b) "Voice mail service" does not include a vertical service that a customer is required to
- 3250 have in order to utilize a voice mail service.
- 3251 (154)(a) "Waste energy facility" means a facility that generates electricity:
- 3252 (i) using as the primary source of energy waste materials that would be placed in a
- 3253 landfill or refuse pit if it were not used to generate electricity, including:
- 3254 (A) tires;
- 3255 (B) waste coal;
- 3256 (C) oil shale; or
- 3257 (D) municipal solid waste; and
- 3258 (ii) in amounts greater than actually required for the operation of the facility.
- 3259 (b) "Waste energy facility" does not include a facility that incinerates:
- 3260 (i) hospital waste as defined in 40 C.F.R. 60.51c; or

- 3261 (ii) medical/infectious waste as defined in 40 C.F.R. 60.51c.
- 3262 (155) "Watercraft" means a vessel as defined in Section 73-18-2.
- 3263 (156) "Wind energy" means wind used as the sole source of energy to produce electricity.
- 3264 (157) "ZIP Code" means a Zoning Improvement Plan Code assigned to a geographic
- 3265 location by the United States Postal Service.
- 3266 Section 17. Section **59-12-103** is amended to read:
- 3267 **59-12-103 . Sales and use tax base -- Rates -- Effective dates -- Use of sales and**
- 3268 **use tax revenue.**
- 3269 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or sales
- 3270 price for amounts paid or charged for the following transactions:
- 3271 (a) retail sales of tangible personal property made within the state;
- 3272 (b) amounts paid for:
- 3273 (i) telecommunications service, other than mobile telecommunications service, that
- 3274 originates and terminates within the boundaries of this state;
- 3275 (ii) mobile telecommunications service that originates and terminates within the
- 3276 boundaries of one state only to the extent permitted by the Mobile
- 3277 Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
- 3278 (iii) an ancillary service associated with a:
- 3279 (A) telecommunications service described in Subsection (1)(b)(i); or
- 3280 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
- 3281 (c) sales of the following for commercial use:
- 3282 (i) gas;
- 3283 (ii) electricity;
- 3284 (iii) heat;
- 3285 (iv) coal;
- 3286 (v) fuel oil; or
- 3287 (vi) other fuels;
- 3288 (d) sales of the following for residential use:
- 3289 (i) gas;
- 3290 (ii) electricity;
- 3291 (iii) heat;
- 3292 (iv) coal;
- 3293 (v) fuel oil; or
- 3294 (vi) other fuels;

- 3295 (e) sales of prepared food;
- 3296 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
3297 user fees for theaters, movies, operas, museums, planetariums, shows of any type or
3298 nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses,
3299 menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling
3300 matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling
3301 lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts,
3302 ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides,
3303 river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or
3304 any other amusement, entertainment, recreation, exhibition, cultural, or athletic
3305 activity;
- 3306 (g) amounts paid or charged for services for repairs or renovations of tangible personal
3307 property, unless Section 59-12-104 provides for an exemption from sales and use tax
3308 for:
- 3309 (i) the tangible personal property; and
- 3310 (ii) parts used in the repairs or renovations of the tangible personal property described
3311 in Subsection (1)(g)(i), regardless of whether:
- 3312 (A) any parts are actually used in the repairs or renovations of that tangible
3313 personal property; or
- 3314 (B) the particular parts used in the repairs or renovations of that tangible personal
3315 property are exempt from a tax under this chapter;
- 3316 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for assisted
3317 cleaning or washing of tangible personal property;
- 3318 (i) amounts paid or charged for short-term rentals of tourist home, hotel, motel, or trailer
3319 court accommodations and services;
- 3320 (j) amounts paid or charged for laundry or dry cleaning services;
- 3321 (k) amounts paid or charged for leases or rentals of tangible personal property if within
3322 this state the tangible personal property is:
- 3323 (i) stored;
- 3324 (ii) used; or
- 3325 (iii) otherwise consumed;
- 3326 (l) amounts paid or charged for tangible personal property if within this state the tangible
3327 personal property is:
- 3328 (i) stored;

- 3329 (ii) used; or
- 3330 (iii) consumed;
- 3331 (m) amounts paid or charged for a sale:
- 3332 (i)(A) of a product transferred electronically; or
- 3333 (B) of a repair or renovation of a product transferred electronically; and
- 3334 (ii) regardless of whether the sale provides:
- 3335 (A) a right of permanent use of the product; or
- 3336 (B) a right to use the product that is less than a permanent use, including a right:
- 3337 (I) for a definite or specified length of time; and
- 3338 (II) that terminates upon the occurrence of a condition; and
- 3339 (n) sales of leased tangible personal property from the lessor to the lessee made in the
- 3340 state.
- 3341 (2)(a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax
- 3342 are imposed on a transaction described in Subsection (1) equal to the sum of:
- 3343 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
- 3344 (A) 4.70% [~~plus~~] ;
- 3345 ~~(B)~~ the rate specified in Subsection ~~[(11)(a)]~~ (6)(a); and
- 3346 ~~[(B)]~~ ~~(C)~~ ~~(F)~~ the tax rate the state imposes in accordance with Part 18,
- 3347 ~~Additional State Sales and Use Tax Act, if the location of the transaction as~~
- 3348 ~~determined under Sections 59-12-211 through 59-12-215 is in a county in~~
- 3349 ~~which the state imposes the tax under Part 18, Additional State Sales and~~
- 3350 ~~Use Tax Act; and]~~
- 3351 ~~[(H)]~~ the tax rate the state imposes in accordance with Part 20, Supplemental
- 3352 State Sales and Use Tax Act, if the location of the transaction as determined
- 3353 under Sections 59-12-211 through 59-12-215 is in a city, town, or the
- 3354 unincorporated area of a county in which the state imposes the tax under
- 3355 Part 20, Supplemental State Sales and Use Tax Act; and
- 3356 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 3357 transaction under this chapter other than this part.
- 3358 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a state
- 3359 tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal
- 3360 to the sum of:
- 3361 (i) a state tax imposed on the transaction at a tax rate of 2%; and
- 3362 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the

- 3363 transaction under this chapter other than this part.
- 3364 (c) Except as provided in Subsection (2)(f) or (g), a state tax and a local tax are imposed
- 3365 on amounts paid or charged for food and food ingredients equal to the sum of:
- 3366 (i) a state tax imposed on the amounts paid or charged for food and food ingredients
- 3367 at a tax rate of 1.75%; and
- 3368 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 3369 amounts paid or charged for food and food ingredients under this chapter other
- 3370 than this part.
- 3371 (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts paid
- 3372 or charged for fuel to a common carrier that is a railroad for use in a locomotive
- 3373 engine at a rate ~~[of 4.85%.]~~ equal to the sum of the rates described in Subsections
- 3374 (2)(a)(i)(A) and (2)(a)(i)(B).
- 3375 (e)(i)~~[(A) If a shared vehicle owner certifies to the commission, on a form~~
- 3376 ~~prescribed by the commission, that the shared vehicle is an individual-owned~~
- 3377 ~~shared vehicle, a tax imposed under Subsection (2)(a)(i)(A) does not apply to~~
- 3378 ~~car sharing, a car-sharing program, a shared vehicle driver, or a shared vehicle~~
- 3379 ~~owner.]~~
- 3380 (A) The rates described in Subsections (2)(a)(i)(A) and (2)(a)(i)(B) do not apply to
- 3381 car sharing, a car sharing program, a shared vehicle driver, or a shared vehicle
- 3382 owner, for a car sharing or shared vehicle transaction if a shared vehicle owner
- 3383 certifies to the commission, on a form prescribed by the commission, that the
- 3384 shared vehicle is an individual-owned shared vehicle.
- 3385 (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is
- 3386 required once during the time that the shared vehicle owner owns the shared
- 3387 vehicle.
- 3388 (C) The commission shall verify that a shared vehicle is an individual-owned
- 3389 shared vehicle by verifying that the applicable Utah taxes imposed under this
- 3390 chapter were paid on the purchase of the shared vehicle.
- 3391 (D) The exception under Subsection (2)(e)(i)(A) applies to a certified
- 3392 individual-owned shared vehicle shared through a car-sharing program even if
- 3393 non-certified shared vehicles are also available to be shared through the same
- 3394 car-sharing program.
- 3395 (ii) A tax imposed under Subsection ~~[(2)(a)(i)(B)]~~ (2)(a)(i)(C) or (2)(a)(ii) applies to
- 3396 car sharing.

- 3397 (iii)(A) A car-sharing program may rely in good faith on a shared vehicle owner's
 3398 representation that the shared vehicle is an individual-owned shared vehicle
 3399 certified with the commission as described in Subsection (2)(e)(i).
- 3400 (B) If a car-sharing program relies in good faith on a shared vehicle owner's
 3401 representation that the shared vehicle is an individual-owned shared vehicle
 3402 certified with the commission as described in Subsection (2)(e)(i), the
 3403 car-sharing program is not liable for any tax, penalty, fee, or other sanction
 3404 imposed on the shared vehicle owner.
- 3405 (iv) If all shared vehicles shared through a car-sharing program are certified as
 3406 described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has
 3407 no obligation to collect and remit the tax under [~~Subsection (2)(a)(i)(A)]~~
 3408 Subsections (2)(a)(i)(A) and (2)(a)(i)(B) for that tax period.
- 3409 (v) A car-sharing program is not required to list or otherwise identify an
 3410 individual-owned shared vehicle on a return or an attachment to a return.
- 3411 (vi) A car-sharing program shall:
- 3412 (A) retain tax information for each car-sharing program transaction; and
 3413 (B) provide the information described in Subsection (2)(e)(vi)(A) to the
 3414 commission at the commission's request.
- 3415 (f)(i) For a bundled transaction that is attributable to food and food ingredients and
 3416 tangible personal property other than food and food ingredients, a state tax and a
 3417 local tax is imposed on the entire bundled transaction equal to the sum of:
- 3418 (A) a state tax imposed on the entire bundled transaction equal to the sum of[~~∓~~] the
 3419 tax rates described in Subsection (2)(a)(i); and
 3420 [~~(I) the tax rate described in Subsection (2)(a)(i)(A); and]~~
 3421 [~~(H)(Aa) the tax rate the state imposes in accordance with Part 18, Additional~~
 3422 ~~State Sales and Use Tax Act, if the location of the transaction as determined~~
 3423 ~~under Sections 59-12-211 through 59-12-215 is in a county in which the~~
 3424 ~~state imposes the tax under Part 18, Additional State Sales and Use Tax Act;~~
 3425 ~~and]~~
 3426 [~~(Bb) the tax rate the state imposes in accordance with Part 20, Supplemental~~
 3427 ~~State Sales and Use Tax Act, if the location of the transaction as determined~~
 3428 ~~under Sections 59-12-211 through 59-12-215 is in a city, town, or the~~
 3429 ~~unincorporated area of a county in which the state imposes the tax under~~
 3430 ~~Part 20, Supplemental State Sales and Use Tax Act; and]~~

- 3431 (B) a local tax imposed on the entire bundled transaction at the sum of the tax
3432 rates described in Subsection (2)(a)(ii).
- 3433 (ii) If an optional computer software maintenance contract is a bundled transaction
3434 that consists of taxable and nontaxable products that are not separately itemized
3435 on an invoice or similar billing document, the purchase of the optional computer
3436 software maintenance contract is 40% taxable under this chapter and 60%
3437 nontaxable under this chapter.
- 3438 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled
3439 transaction described in Subsection (2)(f)(i) or (ii):
- 3440 (A) if the sales price of the bundled transaction is attributable to tangible personal
3441 property, a product, or a service that is subject to taxation under this chapter
3442 and tangible personal property, a product, or service that is not subject to
3443 taxation under this chapter, the entire bundled transaction is subject to taxation
3444 under this chapter unless:
- 3445 (I) the seller is able to identify by reasonable and verifiable standards the
3446 tangible personal property, product, or service that is not subject to taxation
3447 under this chapter from the books and records the seller keeps in the seller's
3448 regular course of business; or
- 3449 (II) state or federal law provides otherwise; or
- 3450 (B) if the sales price of a bundled transaction is attributable to two or more items
3451 of tangible personal property, products, or services that are subject to taxation
3452 under this chapter at different rates, the entire bundled transaction is subject to
3453 taxation under this chapter at the higher tax rate unless:
- 3454 (I) the seller is able to identify by reasonable and verifiable standards the
3455 tangible personal property, product, or service that is subject to taxation
3456 under this chapter at the lower tax rate from the books and records the seller
3457 keeps in the seller's regular course of business; or
- 3458 (II) state or federal law provides otherwise.
- 3459 (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the
3460 seller's regular course of business includes books and records the seller keeps in
3461 the regular course of business for nontax purposes.
- 3462 (g)(i) Except as otherwise provided in this chapter and subject to Subsections
3463 (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible
3464 personal property, a product, or a service that is subject to taxation under this

3465 chapter, and the sale, lease, or rental of tangible personal property, other property,
3466 a product, or a service that is not subject to taxation under this chapter, the entire
3467 transaction is subject to taxation under this chapter unless the seller, at the time of
3468 the transaction:

3469 (A) separately states the portion of the transaction that is not subject to taxation
3470 under this chapter on an invoice, bill of sale, or similar document provided to
3471 the purchaser; or

3472 (B) is able to identify by reasonable and verifiable standards, from the books and
3473 records the seller keeps in the seller's regular course of business, the portion of
3474 the transaction that is not subject to taxation under this chapter.

3475 (ii) A purchaser and a seller may correct the taxability of a transaction if:

3476 (A) after the transaction occurs, the purchaser and the seller discover that the
3477 portion of the transaction that is not subject to taxation under this chapter was
3478 not separately stated on an invoice, bill of sale, or similar document provided
3479 to the purchaser because of an error or ignorance of the law; and

3480 (B) the seller is able to identify by reasonable and verifiable standards, from the
3481 books and records the seller keeps in the seller's regular course of business, the
3482 portion of the transaction that is not subject to taxation under this chapter.

3483 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller
3484 keeps in the seller's regular course of business includes books and records the
3485 seller keeps in the regular course of business for nontax purposes.

3486 (h)(i) If the sales price of a transaction is attributable to two or more items of
3487 tangible personal property, products, or services that are subject to taxation under
3488 this chapter at different rates, the entire purchase is subject to taxation under this
3489 chapter at the higher tax rate unless the seller, at the time of the transaction:

3490 (A) separately states the items subject to taxation under this chapter at each of the
3491 different rates on an invoice, bill of sale, or similar document provided to the
3492 purchaser; or

3493 (B) is able to identify by reasonable and verifiable standards the tangible personal
3494 property, product, or service that is subject to taxation under this chapter at the
3495 lower tax rate from the books and records the seller keeps in the seller's regular
3496 course of business.

3497 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
3498 seller's regular course of business includes books and records the seller keeps in

- 3499 the regular course of business for nontax purposes.
- 3500 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate
 3501 imposed under the following shall take effect on the first day of a calendar quarter:
- 3502 (i) Subsection (2)(a)(i)(A);
 3503 (ii) Subsection (2)(a)(i)(B);
 3504 [~~(ii)~~] (iii) Subsection (2)(b)(i);
 3505 [~~(iii)~~] (iv) Subsection (2)(c)(i); or
 3506 [~~(iv)~~] (v) Subsection (2)(f)(i)(A)[~~(F)~~].
- 3507 (j)(i) A tax rate increase takes effect on the first day of the first billing period that
 3508 begins on or after the effective date of the tax rate increase if the billing period for
 3509 the transaction begins before the effective date of a tax rate increase imposed
 3510 under:
- 3511 (A) Subsection (2)(a)(i)(A);
 3512 (B) Subsection (2)(a)(i)(B);
 3513 [~~(B)~~] (C) Subsection (2)(b)(i);
 3514 [~~(C)~~] (D) Subsection (2)(c)(i); or
 3515 [~~(D)~~] (E) Subsection (2)(f)(i)(A)[~~(F)~~].
- 3516 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
 3517 statement for the billing period is rendered on or after the effective date of the
 3518 repeal of the tax or the tax rate decrease imposed under:
- 3519 (A) Subsection (2)(a)(i)(A);
 3520 (B) Subsection (2)(a)(i)(B);
 3521 [~~(B)~~] (C) Subsection (2)(b)(i);
 3522 [~~(C)~~] (D) Subsection (2)(c)(i); or
 3523 [~~(D)~~] (E) Subsection (2)(f)(i)(A)[~~(F)~~].
- 3524 (k)(i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
 3525 is computed on the basis of sales and use tax rates published in the catalogue, a
 3526 tax rate repeal or change in a tax rate takes effect:
- 3527 (A) on the first day of a calendar quarter; and
 3528 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate
 3529 change.
- 3530 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
- 3531 (A) Subsection (2)(a)(i)(A);
 3532 (B) Subsection (2)(a)(i)(B);

- 3533 ~~[(B)]~~ (C) Subsection (2)(b)(i);
- 3534 ~~[(C)]~~ (D) Subsection (2)(c)(i); or
- 3535 ~~[(D)]~~ (E) Subsection (2)(f)(i)(A)~~[(F)]~~.
- 3536 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 3537 the commission may by rule define the term "catalogue sale."
- 3538 (1)(i) For a location described in Subsection (2)(1)(ii), the commission shall
- 3539 determine the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or
- 3540 other fuel based on the predominant use of the gas, electricity, heat, coal, fuel oil,
- 3541 or other fuel at the location.
- 3542 (ii) Subsection (2)(1)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
- 3543 or other fuel is furnished through a single meter for two or more of the following
- 3544 uses:
- 3545 (A) a commercial use;
- 3546 (B) an industrial use; or
- 3547 (C) a residential use.
- 3548 (3)(a) The commission shall deposit the following state taxes ~~[shall be deposited]~~ into
- 3549 the General Fund:
- 3550 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 3551 (ii) the tax imposed by Subsection (2)(b)(i);
- 3552 (iii) the tax imposed by Subsection (2)(c)(i);~~and]~~
- 3553 ~~(iv) the tax imposed by Subsection (2)(d); and~~
- 3554 ~~[(iv)]~~ (v) the tax imposed by Subsection (2)(f)(i)(A)~~[(F)]~~.
- 3555 (b) The commission shall distribute the following local taxes ~~[shall be distributed]~~ to a
- 3556 county, city, or town as provided in this chapter:
- 3557 (i) the tax imposed by Subsection (2)(a)(ii);
- 3558 (ii) the tax imposed by Subsection (2)(b)(ii);
- 3559 (iii) the tax imposed by Subsection (2)(c)(ii); and
- 3560 (iv) the tax imposed by Subsection (2)(f)(i)(B).
- 3561 ~~[(e) The state tax imposed by Subsection (2)(d) shall be deposited into the General~~
- 3562 ~~Fund.]~~
- 3563 ~~[(4)(a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,~~
- 3564 ~~2003, the lesser of the following amounts shall be expended as provided in Subsections~~
- 3565 ~~(4)(b) through (g):]~~
- 3566 ~~[(i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:]~~

3567 [(A) by a 1/16% tax rate on the transactions described in Subsection (1); and]

3568 [(B) for the fiscal year; or]

3569 [(ii) \$17,500,000.]

3570 [(b)(i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount described in

3571 Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue

3572 to the Division of Wildlife Resources to:]

3573 [(A) implement the measures described in Subsections 23A-3-214(3)(a) through (d) to

3574 protect sensitive plant and animal species; or]

3575 [(B) award grants, up to the amount authorized by the Legislature in an appropriations act,

3576 to political subdivisions of the state to implement the measures described in Subsections

3577 23A-3-214(3)(a) through (d) to protect sensitive plant and animal species.]

3578 [(ii) Money transferred to the Division of Wildlife Resources under Subsection (4)(b)(i)

3579 may not be used to assist the United States Fish and Wildlife Service or any other person

3580 to list or attempt to have listed a species as threatened or endangered under the

3581 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.]

3582 [(iii) At the end of each fiscal year:]

3583 [(A) 50% of any unexpended designated sales and use tax revenue shall lapse to the Water

3584 Resources Conservation and Development Fund created in Section 73-10-24;]

3585 [(B) 25% of any unexpended designated sales and use tax revenue shall lapse to the Utah

3586 Wastewater Loan Program Subaccount created in Section 73-10e-5; and]

3587 [(C) 25% of any unexpended designated sales and use tax revenue shall lapse to the

3588 Drinking Water Loan Program Subaccount created in Section 73-10e-5.]

3589 [(c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in

3590 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development

3591 Fund created in Section 4-18-106.]

3592 [(d)(i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described in

3593 Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue

3594 to the Division of Water Rights to cover the costs incurred in hiring legal and technical

3595 staff for the adjudication of water rights.]

3596 [(ii) At the end of each fiscal year:]

3597 [(A) 50% of any unexpended designated sales and use tax revenue shall lapse to the Water

3598 Resources Conservation and Development Fund created in Section 73-10-24;]

3599 [(B) 25% of any unexpended designated sales and use tax revenue shall lapse to the Utah

3600 Wastewater Loan Program Subaccount created in Section 73-10e-5; and]

3601 ~~[(C) 25% of any unexpended designated sales and use tax revenue shall lapse to the~~
3602 ~~Drinking Water Loan Program Subaccount created in Section 73-10e-5.]~~

3603 ~~[(e)(i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described in~~
3604 ~~Subsection (4)(a) shall be deposited into the Water Resources Conservation and~~
3605 ~~Development Fund created in Section 73-10-24 for use by the Division of Water~~
3606 ~~Resources.]]~~

3607 ~~[(ii) In addition to the uses allowed of the Water Resources Conservation and~~
3608 ~~Development Fund under Section 73-10-24, the Water Resources Conservation and~~
3609 ~~Development Fund may also be used to:]~~

3610 ~~[(A) conduct hydrologic and geotechnical investigations by the Division of Water~~
3611 ~~Resources in a cooperative effort with other state, federal, or local entities, for the~~
3612 ~~purpose of quantifying surface and ground water resources and describing the~~
3613 ~~hydrologic systems of an area in sufficient detail so as to enable local and state resource~~
3614 ~~managers to plan for and accommodate growth in water use without jeopardizing the~~
3615 ~~resource;]~~

3616 ~~[(B) fund state required dam safety improvements; and]~~

3617 ~~[(C) protect the state's interest in interstate water compact allocations, including the hiring~~
3618 ~~of technical and legal staff.]~~

3619 ~~[(f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in~~
3620 ~~Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program~~
3621 ~~Subaccount created in Section 73-10e-5 for use by the Water Quality Board to fund~~
3622 ~~wastewater projects.]~~

3623 ~~[(g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in~~
3624 ~~Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount~~
3625 ~~created in Section 73-10e-5 for use by the Division of Drinking Water to:]~~

3626 ~~[(i) provide for the installation and repair of collection, treatment, storage, and distribution~~
3627 ~~facilities for any public water system, as defined in Section 19-4-102;]~~

3628 ~~[(ii) develop underground sources of water, including springs and wells; and]~~

3629 ~~[(iii) develop surface water sources.]~~

3630 ~~(4)(a) Notwithstanding Subsection (3)(a), for each fiscal year the commission shall~~
3631 ~~make the deposits described in Subsections (4)(b) through (4)(h) from the revenue~~
3632 ~~from the taxes imposed by:~~

3633 ~~(i) Subsection (2)(a)(i)(A);~~

3634 ~~(ii) Subsection (2)(b)(i);~~

- 3635 (iii) Subsection (2)(c)(i); and
3636 (iv) Subsection (2)(f)(i)(A).
- 3637 (b) The commission shall deposit 15% of 1.453% of the revenue described in Subsection
3638 (4)(a), less the deposits made under Subsection (5)(b), into the Water Rights
3639 Restricted Account created in Section 73-2-1.6.
- 3640 (c) The commission shall deposit 85% of 1.453% of the revenue described in Subsection
3641 (4)(a), less the deposits made under Subsection (5)(b), into the Water Resources
3642 Conservation and Development Fund created in Section 73-10-24 for use by the
3643 Division of Water Resources for:
- 3644 (i) preconstruction costs:
- 3645 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73,
3646 Chapter 26, Bear River Development Act; and
- 3647 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
3648 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;
- 3649 (ii) the cost of employing a civil engineer to oversee any project authorized by Title
3650 73, Chapter 26, Bear River Development Act;
- 3651 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline
3652 project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development
3653 Act; and
- 3654 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
3655 Subsection (5)(b)(iv)(B) after funding the uses specified in Subsections (4)(c)(i)
3656 through (iii).
- 3657 (d) The commission shall deposit 1.453% of the revenue described in Subsection (4)(a)
3658 into the Water Infrastructure Restricted Account created in Section 73-10g-103.
- 3659 (e)(i) Subject to Subsection (4)(e)(ii), the commission shall deposit 19.24% of the
3660 revenue described in Subsection (4)(a) into the Transportation Investment Fund of
3661 2005 created in Section 72-2-124.
- 3662 (ii) The commission shall annually reduce the deposit described in Subsection
3663 (4)(e)(i) by the sum of:
- 3664 (A) \$1,813,400;
- 3665 (B) the earmark described in Subsection (5)(c); and
- 3666 (C) an amount equal to 35% of the revenue generated in the current fiscal year by
3667 the portion of the tax imposed on motor and special fuel that is sold, used, or
3668 received in the state that exceeds 29.4 cents per gallon.

- 3669 (iii) The amount described in Subsection (4)(e)(ii)(C) shall be annually deposited into
 3670 the Transit Transportation Investment Fund created in Section 72-2-124.
- 3671 (f) The commission shall deposit .44% of the revenue described in Subsection (4)(a) into
 3672 the Cottonwood Canyons Transportation Investment Fund created in Section
 3673 72-2-124.
- 3674 (g) The commission shall deposit 1% of the revenue described in Subsection (4)(a) into
 3675 the Commuter Rail Subaccount created in Section 72-2-124.
- 3676 (h) The commission shall deposit 1% of the revenue described in Subsection (4)(a) into
 3677 the Outdoor Recreation Adventure Infrastructure Restricted Account created in
 3678 Section 51-9-902.
- 3679 ~~[(5)(a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,~~
 3680 ~~2006, the difference between the following amounts shall be expended as provided in~~
 3681 ~~this Subsection (5), if that difference is greater than \$1:]~~
- 3682 ~~[(i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the~~
 3683 ~~fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and]~~
- 3684 ~~[(ii) \$17,500,000.]~~
- 3685 ~~[(b)(i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:]~~
- 3686 ~~[(A) transferred each fiscal year to the Department of Natural Resources as designated~~
 3687 ~~sales and use tax revenue; and]~~
- 3688 ~~[(B) expended by the Department of Natural Resources for watershed rehabilitation or~~
 3689 ~~restoration.]~~
- 3690 ~~[(ii) At the end of each fiscal year, 100% of any unexpended designated sales and use tax~~
 3691 ~~revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources~~
 3692 ~~Conservation and Development Fund created in Section 73-10-24.]~~
- 3693 ~~[(e)(i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the~~
 3694 ~~remaining difference described in Subsection (5)(a) shall be:]~~
- 3695 ~~[(A) transferred each fiscal year to the Division of Water Resources as designated sales~~
 3696 ~~and use tax revenue; and]~~
- 3697 ~~[(B) expended by the Division of Water Resources for cloud-seeding projects authorized~~
 3698 ~~by Title 73, Chapter 15, Modification of Weather.]~~
- 3699 ~~[(ii) At the end of each fiscal year, 100% of any unexpended designated sales and use tax~~
 3700 ~~revenue described in Subsection (5)(e)(i) shall lapse to the Water Resources~~
 3701 ~~Conservation and Development Fund created in Section 73-10-24.]~~
- 3702 ~~[(d) After making the transfers required by Subsections (5)(b) and (c), 85% of the~~

3703 remaining difference described in Subsection (5)(a) shall be deposited into the Water
 3704 Resources Conservation and Development Fund created in Section 73-10-24 for use by
 3705 the Division of Water Resources for:]
 3706 [(i) preconstruction costs:]
 3707 [(A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter 26,
 3708 Bear River Development Act; and]
 3709 [(B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project authorized
 3710 by Title 73, Chapter 28, Lake Powell Pipeline Development Act;]
 3711 [(ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
 3712 Chapter 26, Bear River Development Act;]
 3713 [(iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project
 3714 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and]
 3715 [(iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
 3716 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).]
 3717 [(e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
 3718 remaining difference described in Subsection (5)(a) shall be deposited each year into the
 3719 Water Rights Restricted Account created by Section 73-2-1.6.]
 3720 (5)(a) Notwithstanding Subsection (3)(a), each fiscal year the commission shall make
 3721 the deposits described in this Subsection (5).
 3722 (b)(i)(A) The commission shall deposit \$500,000 to the Department of Natural
 3723 Resources to be used for watershed rehabilitation or restoration.
 3724 (B) At the end of each fiscal year, 100% of any unexpended amount described in
 3725 Subsection (5)(b)(i)(A) shall lapse into the Water Resources Conservation and
 3726 Development Fund created in Section 73-10-24.
 3727 (ii) The commission shall deposit \$150,000 to the Division of Water Resources for
 3728 cloud-seeding projects authorized by Title 73, Chapter 15, Modification of
 3729 Weather.
 3730 (iii) The commission shall deposit \$525,000 into the Agriculture Resource
 3731 Development Fund created in Section 4-18-106.
 3732 (iv) The commission shall deposit \$7,175,000 into the Water Resources Conservation
 3733 and Development Fund created in Section 73-10-24 for use by the Division of
 3734 Water Resources for:
 3735 (A) the uses allowed of the Water Resources Conservation and Development Fund
 3736 under Section 73-10-24;

- 3737 (B) to conduct hydrologic and geotechnical investigations by the Division of
3738 Water Resources in a cooperative effort with other state, federal, or local
3739 entities, for the purpose of quantifying surface and ground water resources and
3740 describing the hydrologic systems of an area in sufficient detail so as to enable
3741 local and state resource managers to plan for and accommodate growth in
3742 water use without jeopardizing the resource;
- 3743 (C) to fund state required dam safety improvements; and
- 3744 (D) to protect the states interest in interstate water compact allocations, including
3745 the hiring of technical and legal staff.
- 3746 (v) The commission shall deposit \$3,857,500 into the Utah Wastewater Loan
3747 Program Subaccount created in Section 73-10c-5 for use by the Water Quality
3748 Board to fund wastewater projects.
- 3749 (vi) The commission shall deposit \$3,857,500 into the Drinking Water Loan Program
3750 Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water
3751 to:
- 3752 (A) provide for the installation and repair of collection, treatment, storage, and
3753 distribution facilities for any public water system, as defined in Section
3754 19-4-102;
- 3755 (B) develop underground sources of water, including springs and wells; and
3756 (C) develop surface water sources.
- 3757 (vii) The commission shall deposit \$2,450,000 to the Division of Wildlife Resources
3758 to:
- 3759 (A) implement the measures described in Subsections 23A-3-214(3)(a) through
3760 (d) to protect sensitive plant and animal species; or
- 3761 (B) award grants, up to the amount authorized by the Legislature in an
3762 appropriations act, to political subdivisions of the state to implement the
3763 measures described in Subsections 23A-3-214(3)(a) through (d) to protect
3764 sensitive plant and animal species.
- 3765 (viii) Funds transferred to the Division of Wildlife Resources under Subsection
3766 (5)(b)(vii)(A) may not be used to assist the United States Fish and Wildlife
3767 Service or any other person to list or attempt to have listed a species as threatened
3768 or endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531, et
3769 seq.
- 3770 (ix) At the end of each fiscal year, any unexpended amounts described in this

- 3771 Subsections (5)(b)(vii)(A) and (B) shall lapse:
- 3772 (A) 50% into the Water Resources Conservation and Development Fund created
- 3773 in Section 73-10-24;
- 3774 (B) 25% into the Utah Wastewater Loan Program Subaccount created in Section
- 3775 73-10c-5; and
- 3776 (C) 25% into the Drinking Water Loan Program Subaccount created in Section
- 3777 73-10c-5.
- 3778 (x) The commission shall allocate \$175,000 to the Division of Water Rights to cover
- 3779 the costs incurred in hiring legal and technical staff for the adjudication of water
- 3780 rights.
- 3781 (xi) At the end of each fiscal year any unexpended amounts described in this
- 3782 Subsection (5)(b)(x) shall lapse:
- 3783 (A) 50% into the Water Resources Conservation and Development Fund created
- 3784 in Section 73-10-24;
- 3785 (B) 25% into the Utah Wastewater Loan Program Subaccount created in Section
- 3786 73-10c-5; and
- 3787 (C) 25% into the Drinking Water Loan Program Subaccount created in Section
- 3788 73-10c-5.
- 3789 (c) The commission shall deposit \$45,000,000 into the Active Transportation Investment
- 3790 Fund created in Section 72-2-124.
- 3791 (d) The commission shall deposit \$533,750 into the Qualified Emergency Food
- 3792 Agencies Fund created by and expended in accordance with Section 35A-8-1009.
- 3793 (e) The commission shall deposit \$200,000 into the General Fund as a dedicated credit
- 3794 for the sole use of the Search and Rescue Financial Assistance Program created by
- 3795 and to be expended in accordance with, Title 53, Chapter 2a, Part 11, Search and
- 3796 Rescue Act.
- 3797 ~~[(6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), each~~
- 3798 ~~fiscal year, the commission shall deposit into the Water Infrastructure Restricted~~
- 3799 ~~Account created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax~~
- 3800 ~~rate on the transactions described in Subsection (1) for the fiscal year.]~~
- 3801 ~~[(7)(a) Notwithstanding Subsection (3)(a) and subject to Subsections (7)(b), (c), and (d),~~
- 3802 ~~for a fiscal year beginning on or after July 1, 2023, the commission shall deposit into the~~
- 3803 ~~Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the~~
- 3804 ~~taxes listed under Subsection (3)(a) equal to 17% of the revenue collected from the~~

3805 following sales and use taxes:]

3806 [(i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;]

3807 [(ii) the tax imposed by Subsection (2)(b)(i);]

3808 [(iii) the tax imposed by Subsection (2)(c)(i); and]

3809 [(iv) the tax imposed by Subsection (2)(f)(i)(A)(I).]

3810 [(b)(i) For a fiscal year beginning on or after July 1, 2024, the commission shall annually

3811 reduce the deposit under Subsection (7)(a) into the Transportation Investment Fund of

3812 2005 by an amount equal to .44% of the revenue collected from the following sales and

3813 use taxes:]

3814 [(A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;]

3815 [(B) the tax imposed by Subsection (2)(b)(i);]

3816 [(C) the tax imposed by Subsection (2)(c)(i); and]

3817 [(D) the tax imposed by Subsection (2)(f)(i)(A)(I).]

3818 [(ii) The commission shall annually deposit the amount described in Subsection (7)(b)(i)

3819 into the Cottonwood Canyons Transportation Investment Fund created in Section

3820 72-2-124.]

3821 [(c)(i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1, 2023,

3822 the commission shall annually reduce the deposit into the Transportation Investment

3823 Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is equal to 5% of:]

3824 [(A) the amount of revenue generated in the current fiscal year by the portion of taxes

3825 listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes

3826 described in Subsections (7)(a)(i) through (iv);]

3827 [(B) the amount of revenue generated in the current fiscal year by registration fees

3828 designated under Section 41-1a-1201 to be deposited into the Transportation Investment

3829 Fund of 2005; and]

3830 [(C) revenue transferred by the Division of Finance to the Transportation Investment Fund

3831 of 2005 in accordance with Section 72-2-106 in the current fiscal year.]

3832 [(ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a given

3833 fiscal year.]

3834 [(iii) The commission shall annually deposit the amount described in Subsection (7)(c)(i)

3835 into the Active Transportation Investment Fund created in Subsection 72-2-124(11).]

3836 [(d)(i) For a fiscal year beginning on or after July 1, 2024, the commission shall annually

3837 reduce the deposit into the Transportation Investment Fund of 2005 under this

3838 Subsection (7) by an amount that is equal to 1% of the revenue collected from the

3839 following sales and use taxes:]

3840 [(A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;]

3841 [(B) the tax imposed by Subsection (2)(b)(i);]

3842 [(C) the tax imposed by Subsection (2)(c)(i); and]

3843 [(D) the tax imposed by Subsection (2)(f)(i)(A)(I).]

3844 [(ii) The commission shall annually deposit the amount described in Subsection (7)(d)(i)

3845 into the Commuter Rail Subaccount created in Section 72-2-124.]

3846 [(8)(a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under

3847 Subsection (7), and subject to Subsections (8)(b) and (d)(ii), for a fiscal year beginning

3848 on or after July 1, 2018, the commission shall annually deposit into the Transportation

3849 Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under

3850 Subsection (3)(a) in an amount equal to 3.68% of the revenue collected from the

3851 following taxes:]

3852 [(i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;]

3853 [(ii) the tax imposed by Subsection (2)(b)(i);]

3854 [(iii) the tax imposed by Subsection (2)(c)(i); and]

3855 [(iv) the tax imposed by Subsection (2)(f)(i)(A)(I).]

3856 [(b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually

3857 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection

3858 (8)(a) by an amount that is equal to 35% of the amount of revenue generated in the

3859 current fiscal year by the portion of the tax imposed on motor and special fuel that is

3860 sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.]

3861 [(c) The commission shall annually deposit the amount described in Subsection (8)(b) into

3862 the Transit Transportation Investment Fund created in Section 72-2-124.]

3863 [(9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year

3864 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies

3865 Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.]

3866 [(10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the fiscal

3867 year during which the commission receives notice under Section 63N-2-510 that

3868 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the

3869 commission shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the

3870 revenue generated by the taxes listed under Subsection (3)(a) into the Hotel Impact

3871 Mitigation Fund, created in Section 63N-2-512.]

3872 [(H)] (6)(a) The rate specified in this [subsection] Subsection (6) is 0.15%.

3873 (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning
 3874 on or after July 1, 2019, annually transfer the amount of revenue collected from the
 3875 rate described in Subsection ~~[(11)(a)]~~ (6)(a) on the transactions that are subject to the
 3876 sales and use tax under Subsection ~~[(2)(a)(i)(A)]~~ (2)(a)(i)(B) into the Medicaid ACA
 3877 Fund created in Section 26B-1-315.

3878 ~~[(12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
 3879 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated
 3880 credit solely for use of the Search and Rescue Financial Assistance Program created in,
 3881 and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.]~~

3882 ~~[(13)(a) For each fiscal year beginning with fiscal year 2020-21, the commission shall
 3883 annually transfer \$1,813,400 of the revenue deposited into the Transportation
 3884 Investment Fund of 2005 under Subsections (7) and (8) to the General Fund.]~~

3885 ~~[(b) If the total revenue deposited into the Transportation Investment Fund of 2005 under
 3886 Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall
 3887 transfer the total revenue deposited into the Transportation Investment Fund of 2005
 3888 under Subsections (7) and (8) during the fiscal year to the General Fund.]~~

3889 ~~[(14)]~~ (7) Notwithstanding Subsection (3)(a), and as described in Section 63N-3-610,
 3890 beginning the first day of the calendar quarter one year after the sales and use tax
 3891 boundary for a housing and transit reinvestment zone is established, the commission, at
 3892 least annually, shall transfer an amount equal to 15% of the sales and use tax increment
 3893 within an established sales and use tax boundary, as defined in Section 63N-3-602, into
 3894 the Transit Transportation Investment Fund created in Section 72-2-124.

3895 ~~[(15) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning
 3896 on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure Restricted
 3897 Account, created in Section 51-9-902, a portion of the taxes listed under Subsection
 3898 (3)(a) equal to 1% of the revenue collected from the following sales and use taxes:]~~

3899 ~~[(a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;]~~

3900 ~~[(b) the tax imposed by Subsection (2)(b)(i);]~~

3901 ~~[(c) the tax imposed by Subsection (2)(c)(i); and]~~

3902 ~~[(d) the tax imposed by Subsection (2)(f)(i)(A)(I).]~~

3903 ~~[(16)]~~ (8) Notwithstanding Subsection (3)(a), beginning October 1, 2024 the commission
 3904 shall transfer to the Utah Fairpark Area Investment and Restoration District, created in
 3905 Section 11-70-201, the revenue from the sales and use tax imposed by Subsection
 3906 (2)(a)(i)(A) ~~[at a 4.7% rate]~~, on transactions occurring within the district sales tax area,

3907 as defined in Section 11-70-101.

3908 [(17)] (9)(a) As used in this Subsection [(17)] (9):

3909 (i) "Additional land" means point of the mountain state land described in Subsection
3910 11-59-102(6)(b) that the point of the mountain authority acquires after the point of
3911 the mountain authority provides the commission a map under Subsection [(17)(e)]
3912 (9)(c).

3913 (ii) "Point of the mountain authority" means the Point of the Mountain State Land
3914 Authority, created in Section 11-59-201.

3915 (iii) "Point of the mountain state land" means the same as that term is defined in
3916 Section 11-59-102.

3917 (b) Notwithstanding Subsection (3)(a), the commission shall distribute to the point of the
3918 mountain authority 50% of the revenue from the sales and use tax imposed by
3919 Subsection (2)(a)(i)(A)[at a 4.7% rate], on transactions occurring on the point of the
3920 mountain state land.

3921 (c) The distribution under Subsection [(17)(b)] (9)(b) shall begin the next calendar
3922 quarter that begins at least 90 days after the point of the mountain authority provides
3923 the commission a map that:

3924 (i) accurately describes the point of the mountain state land; and

3925 (ii) the point of the mountain authority certifies as accurate.

3926 (d) A distribution under Subsection [(17)(b)] (9)(b) with respect to additional land shall
3927 begin the next calendar quarter that begins at least 90 days after the point of the
3928 mountain authority provides the commission a map of point of the mountain state
3929 land that:

3930 (i) accurately describes the point of the mountain state land, including the additional
3931 land; and

3932 (ii) the point of the mountain authority certifies as accurate.

3933 (e)(i) Upon the payment in full of bonds secured by the sales and use tax revenue
3934 distributed to the point of the mountain authority under Subsection [(17)(b)] (9)(b),
3935 the point of the mountain authority shall immediately notify the commission in
3936 writing that the bonds are paid in full.

3937 (ii) The commission shall discontinue distributions of sales and use tax revenue under
3938 Subsection [(17)(b)] (9)(b) at the beginning of the calendar quarter that begins at
3939 least 90 days after the date that the commission receives the written notice under
3940 Subsection [(17)(e)(i)] (9)(e)(i).

3941 (10) Notwithstanding Subsection (3)(a), the amount of state sales tax revenues described in
 3942 Section 63N-2-503.5 is deposited into the Convention Incentive Fund created in Section
 3943 63N-2-503.5.

3944 Section 18. Section **59-12-104.2** is amended to read:

3945 **59-12-104.2 . Exemption for accommodations and services taxed by the Navajo**
 3946 **Nation.**

3947 (1) As used in this section "tribal taxing area" means the geographical area that:

3948 (a) is subject to the taxing authority of the Navajo Nation; and

3949 (b) consists of:

3950 (i) notwithstanding the issuance of a patent, all land:

3951 (A) within the limits of an Indian reservation under the jurisdiction of the federal
 3952 government; and

3953 (B) including any rights-of-way running through the reservation; and

3954 (ii) all Indian allotments the Indian titles to which have not been extinguished,
 3955 including any rights-of-way running through an Indian allotment.

3956 (2)(a) Beginning July 1, 2001, amounts paid by or charged to a purchaser for

3957 accommodations and services described in Subsection 59-12-103(1)(i) are exempt

3958 from the tax imposed by [~~Subsection 59-12-103(2)(a)(i)(A) or (2)(e)(i)(A)(F)~~]

3959 Subsections 59-12-103(2)(a)(i)(A) and (B) or Subsection 59-12-103(2)(e)(i)(A) to the
 3960 extent permitted under Subsection (2)(b) if:

3961 (i) the accommodations and services described in Subsection 59-12-103(1)(i) are
 3962 provided within:

3963 (A) the state; and

3964 (B) a tribal taxing area;

3965 (ii) the Navajo Nation imposes and collects a tax on the amounts paid by or charged
 3966 to the purchaser for the accommodations and services described in Subsection
 3967 59-12-103(1)(i);

3968 (iii) the Navajo Nation imposes the tax described in Subsection (2)(a)(ii) without
 3969 regard to whether or not the purchaser that pays or is charged for the

3970 accommodations and services is an enrolled member of the Navajo Nation; and

3971 (iv) the requirements of Subsection (4) are met.

3972 (b) If but for Subsection (2)(a) the amounts paid by or charged to a purchaser for

3973 accommodations and services described in Subsection (2)(a) are subject to a tax

3974 imposed by [~~Subsection 59-12-103(2)(a)(i)(A) or (2)(e)(i)(A)(F)~~] Subsections

- 3975 59-12-103(2)(a)(i)(A) and (B) or Subsection 59-12-103(2)(e)(i)(A):
 3976 (i) the seller shall collect and pay to the state the difference described in Subsection
 3977 (3) if that difference is greater than \$0; and
 3978 (ii) a person may not require the state to provide a refund, a credit, or similar tax
 3979 relief if the difference described in Subsection (3) is equal to or less than \$0.
- 3980 (3) The difference described in Subsection (2)(b) is equal to the difference between:
 3981 (a) the amount of tax imposed by [~~Subsection 59-12-103(2)(a)(i)(A) or (2)(e)(i)(A)(I)~~
 3982 Subsections 59-12-103(2)(a)(i)(A) and (B) or Subsection 59-12-103(2)(e)(i)(A) on
 3983 the amounts paid by or charged to a purchaser for accommodations and services
 3984 described in Subsection 59-12-103(1)(i); less
 3985 (b) the tax imposed and collected by the Navajo Nation on the amounts paid by or
 3986 charged to a purchaser for the accommodations and services described in Subsection
 3987 59-12-103(1)(i).
- 3988 (4)(a) If, on or after July 1, 2001, the Navajo Nation changes the tax rate of a tax
 3989 imposed on amounts paid by or charged to a purchaser for accommodations and
 3990 services described in Subsection 59-12-103(1)(i), any change in the amount of the
 3991 exemption under Subsection (2) as a result of the change in the tax rate is not
 3992 effective until the first day of the calendar quarter after a 90-day period beginning on
 3993 the date the commission receives notice meeting the requirements of Subsection
 3994 (4)(b) from the Navajo Nation.
- 3995 (b) The notice described in Subsection (4)(a) shall state:
 3996 (i) that the Navajo Nation has changed or will change the tax rate of a tax imposed on
 3997 amounts paid by or charged to a purchaser for accommodations and services
 3998 described in Subsection 59-12-103(1)(i);
 3999 (ii) the effective date of the rate change on the tax described in Subsection (4)(b)(i);
 4000 and
 4001 (iii) the new rate of the tax described in Subsection (4)(b)(i).
- 4002 Section 19. Section **59-12-1201** is amended to read:
 4003 **59-12-1201 . Motor vehicle rental tax -- Rate -- Exemptions -- Administration,**
 4004 **collection, and enforcement of tax -- Administrative charge -- Deposits.**
 4005 (1) As used in this section:
 4006 (a) "Fairpark district board" means the board of the fairpark district.
 4007 (b) "Fairpark district" means the Utah Fairpark Area Investment and Restoration
 4008 District, created in Section 11-70-201.

- 4009 (c) "Franchise agreement date" means the same as that term is defined in Section
 4010 11-70-101.
- 4011 (d) "Stadium contribution" means the same as that term is defined in Section 11-70-101.
- 4012 (e) "Transition date" means the first day of the calendar quarter that begins at least 90
 4013 days after the fairpark district board delivers to the commission the certificate
 4014 described in Subsection (2)(a)(ii)(B).
- 4015 (2)(a)(i) Except as provided in Subsections (4) and (5), there is imposed a tax of
 4016 2.5% on all short-term rentals of motor vehicles.
- 4017 (ii)(A) In addition to the tax imposed under Subsection (2)(a)(i) and except as
 4018 provided in Subsections (4) and (5), beginning on the transition date there is
 4019 imposed a tax of 1.5% on all short-term leases and rentals of motor vehicles
 4020 not exceeding 30 days.
- 4021 (B) After the franchise agreement date, the fairpark district board shall deliver to
 4022 the commission a certificate verifying the execution of a franchise agreement,
 4023 as defined in Section 11-70-101, and providing the franchise agreement date.
- 4024 (C) A tax under this Subsection (2)(a)(ii) is imposed only if the franchise
 4025 agreement date is on or before June 30, 2032.
- 4026 (b) The tax imposed in this section is in addition to all other state, county, or municipal
 4027 fees and taxes imposed on rentals of motor vehicles.
- 4028 (3)(a) Subject to Subsection (3)(b), a tax rate repeal or tax rate change for the tax
 4029 imposed under Subsection (2) shall take effect on the first day of a calendar quarter.
- 4030 (b)(i) For a transaction subject to a tax under Subsection (2), a tax rate increase shall
 4031 take effect on the first day of the first billing period:
- 4032 (A) that begins after the effective date of the tax rate increase; and
 4033 (B) if the billing period for the transaction begins before the effective date of a tax
 4034 rate increase imposed under Subsection (2).
- 4035 (ii) For a transaction subject to a tax under Subsection (2), the repeal of a tax or a tax
 4036 rate decrease shall take effect on the first day of the last billing period:
- 4037 (A) that began before the effective date of the repeal of the tax or the tax rate
 4038 decrease; and
 4039 (B) if the billing period for the transaction begins before the effective date of the
 4040 repeal of the tax or the tax rate decrease imposed under Subsection [~~(1)~~] (2).
- 4041 (4) A tax imposed under this section applies at the same rate to car sharing of less than 30
 4042 days, except for car sharing for the purpose of temporarily replacing a person's motor

- 4043 vehicle that is being repaired pursuant to a repair or an insurance agreement.
- 4044 (5) A motor vehicle is exempt from the tax imposed under this section if:
- 4045 (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;
- 4046 (b) the motor vehicle is rented as a personal household goods moving van; or
- 4047 (c) the lease or rental of the motor vehicle is made for the purpose of temporarily
- 4048 replacing a person's motor vehicle that is being repaired pursuant to a repair
- 4049 agreement or an insurance agreement.
- 4050 (6)(a)(i) The tax authorized under this section shall be administered, collected, and
- 4051 enforced in accordance with:
- 4052 (A) the same procedures used to administer, collect, and enforce the tax under Part
- 4053 1, Tax Collection; and
- 4054 (B) Chapter 1, General Taxation Policies.
- 4055 (ii) Notwithstanding Subsection [~~(5)(a)(i)~~] (6)(a)(i), a tax under this part is not subject
- 4056 to Subsections 59-12-103(4) through [~~(9)~~] (10) or Section 59-12-107.1 or
- 4057 59-12-123.
- 4058 (b) The commission shall retain and deposit an administrative charge in accordance with
- 4059 Section 59-1-306 from the revenue the commission collects from a tax under this part.
- 4060 (c) Except as provided under Subsections (6)(b) and (d):
- 4061 (i) the commission shall deposit daily with the state treasurer all revenue received
- 4062 under this section; and
- 4063 (ii) the state treasurer shall credit monthly all revenue received under this section to
- 4064 the Marda Dillree Corridor Preservation Fund under Section 72-2-117.
- 4065 (d)(i) Subject to Subsection (6)(d)(iii), all revenue received by the commission under
- 4066 Subsection (2)(a)(ii) shall be paid to the fairpark district.
- 4067 (ii) Within 10 days after the fairpark district completes payment of the stadium
- 4068 contribution, the fairpark district board shall deliver to the commission a written
- 4069 statement verifying that the fairpark district has completed payment of the stadium
- 4070 contribution.
- 4071 (iii) Upon receipt of the written statement under Subsection (6)(d)(ii), the
- 4072 commission shall:
- 4073 (A) discontinue collecting revenue under Subsection (2)(a)(ii), beginning the first
- 4074 day of the calendar quarter that is at least 90 days after the commission's
- 4075 receipt of the written statement;
- 4076 (B) discontinue distributing revenue under Subsection (2)(a)(ii) to the fairpark

4077 district, beginning the first day of the calendar quarter that is at least 90 days
 4078 after the commission's receipt of the written statement; and
 4079 (C) notify the Executive Appropriations Committee of the Legislature that the
 4080 commission is discontinuing collecting and distributing revenue under
 4081 Subsection (2)(a)(ii).

4082 Section 20. Section **63N-2-510** is amended to read:

4083 **63N-2-510 . Report by office -- Posting of report.**

4084 (1) The office shall include the following information in the office's annual written report
 4085 described in Section 63N-1a-306:

- 4086 (a) the state's success in attracting new conventions and corresponding new state
 4087 revenue;
 4088 (b) the estimated amount of convention incentive commitments and the associated
 4089 calculation made by the office and the period of time over which convention
 4090 incentives are expected to be paid;
 4091 (c) the economic impact on the state related to generating new state revenue and
 4092 providing convention incentives; and
 4093 (d) the estimated and actual costs and economic benefits of the convention incentive
 4094 commitments that the office made.

4095 (2) Upon the commencement of the construction of a qualified hotel, the office shall send a
 4096 written notice to the Division of Finance[;]

4097 [~~(a) referring to the two annual deposits required under Subsection 59-12-103(10); and]~~
 4098 [~~(b)~~] _notifying the Division of Finance that construction on the qualified hotel has
 4099 begun.

4100 Section 21. Section **63N-2-512** is amended to read:

4101 **63N-2-512 . Hotel Impact Mitigation Fund.**

4102 (1) As used in this section:

- 4103 (a) "Affected hotel" means a hotel built in the state before July 1, 2014.
 4104 (b) "Direct losses" means affected hotels' losses of hotel guest business attributable to
 4105 the qualified hotel room supply being added to the market in the state.
 4106 (c) "Mitigation fund" means the Hotel Impact Mitigation Fund, created in Subsection (2).

4107 (2) There is created an expendable special revenue fund known as the Hotel Impact
 4108 Mitigation Fund.

4109 (3) The mitigation fund shall:

- 4110 (a) be administered by GOEO;

- 4111 (b) earn interest; and
- 4112 (c) be funded by:
- 4113 ~~[(i) payments required to be deposited into the mitigation fund by the Division of~~
- 4114 ~~Finance under Subsection 59-12-103(10);]~~
- 4115 ~~[(ii)] (i)~~ money required to be deposited into the mitigation fund under Subsection
- 4116 17-31-9(2) by the county in which a qualified hotel is located; and
- 4117 ~~[(iii)] (ii)~~ any money deposited into the mitigation fund under Subsection (6).
- 4118 (4) Interest earned by the mitigation fund shall be deposited into the mitigation fund.
- 4119 (5)(a) In accordance with office rules, GOEO shall annually pay up to \$2,100,000 of
- 4120 money in the mitigation fund:
- 4121 (i) to affected hotels;
- 4122 (ii) for four consecutive years, beginning 12 months after the date of initial
- 4123 occupancy of the qualified hotel occurs; and
- 4124 (iii) to mitigate direct losses.
- 4125 (b)(i) If the amount GOEO pays under Subsection (5)(a) in any year is less than
- 4126 \$2,100,000, GOEO shall pay to the Stay Another Day and Bounce Back Fund,
- 4127 created in Section 63N-2-511, the difference between \$2,100,000 and the amount
- 4128 paid under Subsection (5)(a).
- 4129 (ii) GOEO shall make any required payment under Subsection (5)(b)(i) within 90
- 4130 days after the end of the year for which a determination is made of how much
- 4131 GOEO is required to pay to affected hotels under Subsection (5)(a).
- 4132 (6) A host local government or qualified hotel owner may make payments to the Division
- 4133 of Finance for deposit into the mitigation fund.
- 4134 (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 4135 office shall, in consultation with the Utah Hotel and Lodging Association and the county
- 4136 in which the qualified hotel is located, make rules establishing procedures and criteria
- 4137 governing payments under Subsection (5)(a) to affected hotels.
- 4138 Section 22. Section **72-2-106** is amended to read:
- 4139 **72-2-106 . Appropriation and transfers from Transportation Fund.**
- 4140 (1) On and after July 1, 1981, there is appropriated from the Transportation Fund to the use
- 4141 of the department an amount equal to two-elevenths of the taxes collected from the
- 4142 motor fuel tax and the special fuel tax, exclusive of the formula amount appropriated for
- 4143 class B and class C roads, to be used for highway rehabilitation.
- 4144 (2) For a fiscal year beginning on or after July 1, 2016, the Division of Finance shall

4145 annually transfer an amount equal to the amount of revenue generated by a tax imposed
 4146 on motor and special fuel that is sold, used, or received for sale or used in this state at a
 4147 rate of 1.8 cents per gallon to the Transportation Investment Fund of 2005 created by
 4148 Section 72-2-124.

4149 (3) For a fiscal year beginning on or after July 1, 2019, the Division of Finance shall
 4150 annually transfer to the Transportation Investment Fund of 2005 created by Section
 4151 72-2-124 an amount that is equal to 35% of the amount of revenue generated in the
 4152 current fiscal year by the portion of the tax imposed on motor and special fuel that is
 4153 sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.

4154 [~~(4) For purposes of the calculation described in Subsection 59-12-103(7)(c), the Division~~
 4155 ~~of Finance shall notify the State Tax Commission of the amount of any transfer made~~
 4156 ~~under Subsections (2) and (3).]~~

4157 Section 23. Section **72-2-124** is amended to read:

4158 **72-2-124 . Transportation Investment Fund of 2005.**

4159 (1) There is created a capital projects fund entitled the Transportation Investment Fund of
 4160 2005.

4161 (2) The fund consists of money generated from the following sources:

4162 (a) any voluntary contributions received for the maintenance, construction,
 4163 reconstruction, or renovation of state and federal highways;

4164 (b) appropriations made to the fund by the Legislature;

4165 (c) registration fees designated under Section 41-1a-1201;

4166 (d) the sales and use tax revenues deposited into the fund in accordance with Section
 4167 59-12-103; and

4168 (e) revenues transferred to the fund in accordance with Section 72-2-106.

4169 (3)(a) The fund shall earn interest.

4170 (b) All interest earned on fund money shall be deposited into the fund.

4171 (4)(a) Except as provided in Subsection (4)(b), the executive director may only use fund
 4172 money to pay:

4173 (i) the costs of maintenance, construction, reconstruction, or renovation to state and
 4174 federal highways prioritized by the Transportation Commission through the
 4175 prioritization process for new transportation capacity projects adopted under
 4176 Section 72-1-304;

4177 (ii) the costs of maintenance, construction, reconstruction, or renovation to the
 4178 highway projects described in Subsections 63B-18-401(2), (3), and (4);

- 4179 (iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401
4180 minus the costs paid from the County of the First Class Highway Projects Fund in
4181 accordance with Subsection 72-2-121(4)(e);
- 4182 (iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt
4183 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the
4184 amount certified by Salt Lake County in accordance with Subsection 72-2-121.3
4185 (4)(c) as necessary to pay the debt service on \$30,000,000 of the revenue bonds
4186 issued by Salt Lake County;
- 4187 (v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101
4188 for projects prioritized in accordance with Section 72-2-125;
- 4189 (vi) all highway general obligation bonds that are intended to be paid from revenues
4190 in the Centennial Highway Fund created by Section 72-2-118;
- 4191 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First
4192 Class Highway Projects Fund created in Section 72-2-121 to be used for the
4193 purposes described in Section 72-2-121;
- 4194 (viii) if a political subdivision provides a contribution equal to or greater than 40% of
4195 the costs needed for construction, reconstruction, or renovation of paved
4196 pedestrian or paved nonmotorized transportation for projects that:
- 4197 (A) mitigate traffic congestion on the state highway system;
- 4198 (B) are part of an active transportation plan approved by the department; and
- 4199 (C) are prioritized by the commission through the prioritization process for new
4200 transportation capacity projects adopted under Section 72-1-304;
- 4201 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction,
4202 reconstruction, or renovation of or improvement to the following projects:
- 4203 (A) the connector road between Main Street and 1600 North in the city of
4204 Vineyard;
- 4205 (B) Geneva Road from University Parkway to 1800 South;
- 4206 (C) the SR-97 interchange at 5600 South on I-15;
- 4207 (D) subject to Subsection (4)(c), two lanes on U-111 from Herriman Parkway to
4208 South Jordan Parkway;
- 4209 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
- 4210 (F) improvements to 1600 North in Orem from 1200 West to State Street;
- 4211 (G) widening I-15 between mileposts 6 and 8;
- 4212 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;

- 4213 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197
 4214 in Spanish Fork Canyon;
- 4215 (J) I-15 northbound between mileposts 43 and 56;
- 4216 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts
 4217 43 and 45.1;
- 4218 (L) east Zion SR-9 improvements;
- 4219 (M) Toquerville Parkway;
- 4220 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
- 4221 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds,
 4222 for construction of an interchange on Bangerter Highway at 13400 South; and
- 4223 (P) an environmental impact study for Kimball Junction in Summit County; and
- 4224 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project
 4225 costs based upon a statement of cash flow that the local jurisdiction where the
 4226 project is located provides to the department demonstrating the need for money
 4227 for the project, for the following projects in the following amounts:
- 4228 (A) \$5,000,000 for Payson Main Street repair and replacement;
- 4229 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
- 4230 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
- 4231 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S.
 4232 40 between mile markers 7 and 10.
- 4233 (b) The executive director may use fund money to exchange for an equal or greater
 4234 amount of federal transportation funds to be used as provided in Subsection (4)(a).
- 4235 (c)(i) Construction related to the project described in Subsection (4)(a)(ix)(D) may
 4236 not commence until a right-of-way not owned by a federal agency that is required
 4237 for the realignment and extension of U-111, as described in the department's 2023
 4238 environmental study related to the project, is dedicated to the department.
- 4239 (ii) Notwithstanding Subsection (4)(c)(i), if a right-of-way is not dedicated for the
 4240 project as described in Subsection (4)(c)(i) on or before October 1, 2024, the
 4241 department may proceed with the project, except that the project will be limited to
 4242 two lanes on U-111 from Herriman Parkway to 11800 South.
- 4243 (5)(a) Except as provided in Subsection (5)(b), if the department receives a notice of
 4244 ineligibility for a municipality as described in Subsection 10-9a-408(7), the executive
 4245 director may not program fund money to a project prioritized by the commission
 4246 under Section 72-1-304, including fund money from the Transit Transportation

- 4247 Investment Fund, within the boundaries of the municipality until the department
4248 receives notification from the Housing and Community Development Division within
4249 the Department of Workforce Services that ineligibility under this Subsection (5) no
4250 longer applies to the municipality.
- 4251 (b) Within the boundaries of a municipality described in Subsection (5)(a), the executive
4252 director:
- 4253 (i) may program fund money in accordance with Subsection (4)(a) for a
4254 limited-access facility or interchange connecting limited-access facilities;
- 4255 (ii) may not program fund money for the construction, reconstruction, or renovation
4256 of an interchange on a limited-access facility;
- 4257 (iii) may program Transit Transportation Investment Fund money for a
4258 multi-community fixed guideway public transportation project; and
- 4259 (iv) may not program Transit Transportation Investment Fund money for the
4260 construction, reconstruction, or renovation of a station that is part of a fixed
4261 guideway public transportation project.
- 4262 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
4263 director before July 1, 2022, for projects prioritized by the commission under Section
4264 72-1-304.
- 4265 (6)(a) Except as provided in Subsection (6)(b), if the department receives a notice of
4266 ineligibility for a county as described in Subsection 17-27a-408(7), the executive
4267 director may not program fund money to a project prioritized by the commission
4268 under Section 72-1-304, including fund money from the Transit Transportation
4269 Investment Fund, within the boundaries of the unincorporated area of the county until
4270 the department receives notification from the Housing and Community Development
4271 Division within the Department of Workforce Services that ineligibility under this
4272 Subsection (6) no longer applies to the county.
- 4273 (b) Within the boundaries of the unincorporated area of a county described in Subsection
4274 (6)(a), the executive director:
- 4275 (i) may program fund money in accordance with Subsection (4)(a) for a
4276 limited-access facility to a project prioritized by the commission under Section
4277 72-1-304;
- 4278 (ii) may not program fund money for the construction, reconstruction, or renovation
4279 of an interchange on a limited-access facility;
- 4280 (iii) may program Transit Transportation Investment Fund money for a

- 4281 multi-community fixed guideway public transportation project; and
4282 (iv) may not program Transit Transportation Investment Fund money for the
4283 construction, reconstruction, or renovation of a station that is part of a fixed
4284 guideway public transportation project.
- 4285 (c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive
4286 director before July 1, 2022, for projects prioritized by the commission under Section
4287 72-1-304.
- 4288 (7)(a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued in
4289 any fiscal year, the department and the commission shall appear before the Executive
4290 Appropriations Committee of the Legislature and present the amount of bond
4291 proceeds that the department needs to provide funding for the projects identified in
4292 Subsections 63B-18-401(2), (3), and (4) or Subsection 63B-27-101(2) for the current
4293 or next fiscal year.
- 4294 (b) The Executive Appropriations Committee of the Legislature shall review and
4295 comment on the amount of bond proceeds needed to fund the projects.
- 4296 (8) The Division of Finance shall, from money deposited into the fund, transfer the amount
4297 of funds necessary to pay principal, interest, and issuance costs of bonds authorized by
4298 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt
4299 service or sinking fund.
- 4300 (9)(a) There is created in the Transportation Investment Fund of 2005 the Transit
4301 Transportation Investment Fund.
- 4302 (b) The fund shall be funded by:
- 4303 (i) contributions deposited into the fund in accordance with Section 59-12-103;
4304 (ii) appropriations into the account by the Legislature;
4305 (iii) deposits of sales and use tax increment related to a housing and transit
4306 reinvestment zone as described in Section 63N-3-610;
4307 (iv) transfers of local option sales and use tax revenue as described in Subsection
4308 59-12-2220(11)(b) or (c);
4309 (v) private contributions; and
4310 (vi) donations or grants from public or private entities.
- 4311 (c)(i) The fund shall earn interest.
4312 (ii) All interest earned on fund money shall be deposited into the fund.
- 4313 (d) Subject to Subsection (9)(e), the commission may prioritize money from the fund:
4314 (i) for public transit capital development of new capacity projects and fixed guideway

- 4315 capital development projects to be used as prioritized by the commission through
4316 the prioritization process adopted under Section 72-1-304;
- 4317 (ii) to the department for oversight of a fixed guideway capital development project
4318 for which the department has responsibility; or
- 4319 (iii) up to \$500,000 per year, to be used for a public transit study.
- 4320 (e)(i) Subject to Subsections (9)(g), (h), and (i), the commission may only prioritize
4321 money from the fund for a public transit capital development project or pedestrian
4322 or nonmotorized transportation project that provides connection to the public
4323 transit system if the public transit district or political subdivision provides funds of
4324 equal to or greater than 30% of the costs needed for the project.
- 4325 (ii) A public transit district or political subdivision may use money derived from a
4326 loan granted pursuant to [~~Title 72, Chapter 2,~~]Part 2, State Infrastructure Bank
4327 Fund, to provide all or part of the 30% requirement described in Subsection
4328 (9)(e)(i) if:
- 4329 (A) the loan is approved by the commission as required in [~~Title 72, Chapter 2,~~]
4330 Part 2, State Infrastructure Bank Fund; and
- 4331 (B) the proposed capital project has been prioritized by the commission pursuant
4332 to Section 72-1-303.
- 4333 (f) Before July 1, 2022, the department and a large public transit district shall enter into
4334 an agreement for a large public transit district to pay the department \$5,000,000 per
4335 year for 15 years to be used to facilitate the purchase of zero emissions or low
4336 emissions rail engines and trainsets for regional public transit rail systems.
- 4337 (g) For any revenue transferred into the fund pursuant to Subsection 59-12-2220(11)(b):
- 4338 (i) the commission may prioritize money from the fund for public transit projects,
4339 operations, or maintenance within the county of the first class; and
- 4340 (ii) Subsection (9)(e) does not apply.
- 4341 (h) For any revenue transferred into the fund pursuant to Subsection 59-12-2220(11)(c):
- 4342 (i) the commission may prioritize public transit projects, operations, or maintenance
4343 in the county from which the revenue was generated; and
- 4344 (ii) Subsection (9)(e) does not apply.
- 4345 (i) The requirement to provide funds equal to or greater than 30% of the costs needed for
4346 the project described in Subsection (9)(e) does not apply to a public transit capital
4347 development project or pedestrian or nonmotorized transportation project that the
4348 department proposes.

- 4349 (j) In accordance with Part [3] 4, Public Transit Innovation Grants, the commission may
 4350 prioritize money from the fund for public transit innovation grants, as defined in
 4351 Section 72-2-401, for public transit capital development projects requested by a
 4352 political subdivision within a public transit district.
- 4353 (10)(a) There is created in the Transportation Investment Fund of 2005 the Cottonwood
 4354 Canyons Transportation Investment Fund.
- 4355 (b) The fund shall be funded by:
- 4356 (i) money deposited into the fund in accordance with Section 59-12-103;
 4357 (ii) appropriations into the account by the Legislature;
 4358 (iii) private contributions; and
 4359 (iv) donations or grants from public or private entities.
- 4360 (c)(i) The fund shall earn interest.
 4361 (ii) All interest earned on fund money shall be deposited into the fund.
- 4362 (d) The Legislature may appropriate money from the fund for public transit or
 4363 transportation projects in the Cottonwood Canyons of Salt Lake County.
- 4364 (e) The department may use up to 2% of the revenue deposited into the account under
 4365 Subsection [~~59-12-103(7)(b)~~] 59-12-103(4)(f) to contract with local governments as
 4366 necessary for public safety enforcement related to the Cottonwood Canyons of Salt
 4367 Lake County.
- 4368 (11)(a) There is created in the Transportation Investment Fund of 2005 the Active
 4369 Transportation Investment Fund.
- 4370 (b) The fund shall be funded by:
- 4371 (i) money deposited into the fund in accordance with Section 59-12-103;
 4372 (ii) appropriations into the account by the Legislature; and
 4373 (iii) donations or grants from public or private entities.
- 4374 (c)(i) The fund shall earn interest.
 4375 (ii) All interest earned on fund money shall be deposited into the fund.
- 4376 (d) The executive director may only use fund money to pay the costs needed for:
- 4377 (i) the planning, design, construction, maintenance, reconstruction, or renovation of
 4378 paved pedestrian or paved nonmotorized trail projects that:
- 4379 (A) are prioritized by the commission through the prioritization process for new
 4380 transportation capacity projects adopted under Section 72-1-304;
 4381 (B) serve a regional purpose; and
 4382 (C) are part of an active transportation plan approved by the department or the

- 4383 plan described in Subsection (11)(d)(ii);
- 4384 (ii) the development of a plan for a statewide network of paved pedestrian or paved
- 4385 nonmotorized trails that serve a regional purpose; and
- 4386 (iii) the administration of the fund, including staff and overhead costs.
- 4387 (12)(a) As used in this Subsection (12), "commuter rail" means the same as that term is
- 4388 defined in Section 63N-3-602.
- 4389 (b) There is created in the Transit Transportation Investment Fund the Commuter Rail
- 4390 Subaccount.
- 4391 (c) The subaccount shall be funded by:
- 4392 (i) contributions deposited into the subaccount in accordance with Section 59-12-103;
- 4393 (ii) appropriations into the subaccount by the Legislature;
- 4394 (iii) private contributions; and
- 4395 (iv) donations or grants from public or private entities.
- 4396 (d)(i) The subaccount shall earn interest.
- 4397 (ii) All interest earned on money in the subaccount shall be deposited into the
- 4398 subaccount.
- 4399 (e) As prioritized by the commission through the prioritization process adopted under
- 4400 Section 72-1-304 or as directed by the Legislature, the department may only use
- 4401 money from the subaccount for projects that improve the state's commuter rail
- 4402 infrastructure, including the building or improvement of grade-separated crossings
- 4403 between commuter rail lines and public highways.
- 4404 (f) Appropriations made in accordance with this section are nonlapsing in accordance
- 4405 with Section 63J-1-602.1.
- 4406 Section 24. Section **73-2-1.6** is amended to read:
- 4407 **73-2-1.6 . Water Rights Restricted Account.**
- 4408 (1) As used in this section:
- 4409 (a) "Account" means the Water Rights Restricted Account created by this section.
- 4410 (b) "Division" means the Division of Water Rights.
- 4411 (2) There is created in the General Fund a restricted account known as the "Water Rights
- 4412 Restricted Account."
- 4413 (3) The account shall consist of the money deposited into the account under Subsection [
- 4414 ~~59-12-103(5)(e)~~ 59-12-103(4)(b)].
- 4415 (4) Upon appropriation, the division may use money in the account for:
- 4416 (a) costs incurred by the division that benefit water rights adjudications, including:

- 4417 (i) employing technical staff;
- 4418 (ii) acquiring equipment;
- 4419 (iii) obtaining legal support;
- 4420 (iv) conducting studies;
- 4421 (A) installing, operating, and maintaining measurement infrastructure; and
- 4422 (B) sharing the costs of installed United States Geological Survey stream gauges;
- 4423 and
- 4424 (b) not to exceed 5% of the money deposited into the account under Subsection [
- 4425 59-12-103(5)(e)] 59-12-103(4)(b) in the fiscal year preceding the fiscal year of
- 4426 appropriation, costs incurred by the division to acquire, manage, and analyze surface
- 4427 and groundwater data, not limited to geographic areas of adjudication.
- 4428 (5)(a) The account may not exceed \$8,000,000 at the end of a fiscal year.
- 4429 (b) If the account exceeds \$8,000,000 at the end of a fiscal year, the Division of Finance
- 4430 shall deposit into the Water Resources Conservation and Development Fund, created
- 4431 in Section 73-10-24, the money in excess of the amount necessary to maintain the
- 4432 account balance at \$8,000,000.
- 4433 **Section 1. Effective Date.**
- 4434 This bill takes effect on May 7, 2025.