

Senator Derrin R. Owens proposes the following substitute bill:

**RURAL TRANSPORTATION INFRASTRUCTURE FUND**

2023 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Derrin R. Owens**

House Sponsor: Carl R. Albrecht



**LONG TITLE**

**General Description:**

This bill creates the Rural Transportation Infrastructure Fund for highway projects in certain cities, towns, and counties.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ requires certain revenue from vehicle registration fees to be transferred to the Rural Transportation Infrastructure Fund;
- ▶ creates a restricted account called the Rural Transportation Infrastructure Fund;
- ▶ provides for administration for and distribution from the fund; and
- ▶ makes technical changes.

**Money Appropriated in this Bill:**

This bill appropriates in fiscal year 2024:

- ▶ to Department of Transportation -- Rural Transportation Infrastructure Fund -- as a one-time appropriation:
  - from the General Fund One-time, \$40,000,000.

**Other Special Clauses:**

This bill provides a special effective date.



26 **Utah Code Sections Affected:**

27 AMENDS:

28 **41-1a-1201**, as last amended by Laws of Utah 2022, Chapter 259

29 ENACTS:

30 **72-2-133**, Utah Code Annotated 1953

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

33 Section 1. Section **41-1a-1201** is amended to read:

34 **41-1a-1201. Disposition of fees.**

35 (1) All fees received and collected under this part shall be transmitted daily to the state  
36 treasurer.

37 (2) Except as provided in Subsections (3), (6), (7), (8), [~~and~~] (9), and (10) and Sections  
38 **41-1a-422**, **41-1a-1220**, **41-1a-1221**, and **41-1a-1223**, all fees collected under this part shall be  
39 deposited into the Transportation Fund.

40 (3) Funds generated under Subsections **41-1a-1211**(1)(b)(ii), (6)(b)(ii), and (7) and  
41 Section **41-1a-1212** may be used by the commission to cover the costs incurred in issuing  
42 license plates under Part 4, License Plates and Registration Indicia.

43 (4) In accordance with Section **63J-1-602.2**, all funds available to the commission for  
44 the purchase and distribution of license plates and decals are nonlapsing.

45 (5) (a) Except as provided in Subsections (3) and (5)(b) and Section **41-1a-1205**, the  
46 expenses of the commission in enforcing and administering this part shall be provided for by  
47 legislative appropriation from the revenues of the Transportation Fund.

48 (b) Three dollars of the registration fees imposed under Subsections **41-1a-1206**(2)(a)  
49 and (b) for each vehicle registered for a six-month registration period under Section  
50 **41-1a-215.5** may be used by the commission to cover the costs incurred in enforcing and  
51 administering this part.

52 (c) Fifty cents of the registration fee imposed under Subsection **41-1a-1206**(1)(i) for  
53 each vintage vehicle that has a model year of 1981 or newer may be used by the commission to  
54 cover the costs incurred in enforcing and administering this part.

55 (6) (a) The following portions of the registration fees imposed under Section  
56 **41-1a-1206** for each vehicle shall be deposited into the Transportation Investment Fund of

57 2005 created under Section 72-2-124:

58 (i) \$30 of the registration fees imposed under Subsections 41-1a-1206(1)(a), (1)(b),  
59 (1)(f), (4), and (7);

60 (ii) \$21 of the registration fees imposed under Subsections 41-1a-1206(1)(c)(i) and  
61 (1)(c)(ii);

62 (iii) \$2.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(ii);

63 (iv) \$23 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(i);

64 (v) \$24.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(i); and

65 (vi) \$1 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(ii).

66 (b) The following portions of the registration fees collected for each vehicle registered  
67 for a six-month registration period under Section 41-1a-215.5 shall be deposited into the  
68 Transportation Investment Fund of 2005 created by Section 72-2-124:

69 (i) \$23.25 of each registration fee collected under Subsection 41-1a-1206(2)(a)(i); and

70 (ii) \$23 of each registration fee collected under Subsection 41-1a-1206(2)(a)(ii).

71 (7) (a) Ninety-four cents of each registration fee imposed under Subsections  
72 41-1a-1206(1)(a) and (b) for each vehicle shall be deposited into the Public Safety Restricted  
73 Account created in Section 53-3-106.

74 (b) Seventy-one cents of each registration fee imposed under Subsections  
75 41-1a-1206(2)(a) and (b) for each vehicle registered for a six-month registration period under  
76 Section 41-1a-215.5 shall be deposited into the Public Safety Restricted Account created in  
77 Section 53-3-106.

78 (8) (a) One dollar of each registration fee imposed under Subsections 41-1a-1206(1)(a)  
79 and (b) for each vehicle shall be deposited into the Motor Vehicle Safety Impact Restricted  
80 Account created in Section 53-8-214.

81 (b) One dollar of each registration fee imposed under Subsections 41-1a-1206(2)(a)  
82 and (b) for each vehicle registered for a six-month registration period under Section  
83 41-1a-215.5 shall be deposited into the Motor Vehicle Safety Impact Restricted Account  
84 created in Section 53-8-214.

85 (9) Fifty cents of each registration fee imposed under Subsection 41-1a-1206(1)(a) for  
86 each motorcycle shall be deposited into the Spinal Cord and Brain Injury Rehabilitation Fund  
87 created in Section 26-54-102.

88 (10) (a) Beginning on January 1, 2024, subject to Subsection (10)(b), \$2 of each  
 89 registration fee imposed under Section [41-1a-1206](#) shall be deposited into the Rural  
 90 Transportation Infrastructure Fund created in Section [72-2-133](#).

91 (b) Beginning on January 1, 2025, and each January 1 thereafter, the amount described  
 92 in Subsection (10)(a) shall be annually adjusted by taking the amount deposited the previous  
 93 year and adding an amount equal to the greater of:

94 (i) an amount calculated by multiplying the amount deposited the previous year by the  
 95 actual percentage change during the previous fiscal year in the Consumer Price Index; and

96 (ii) 0.

97 (c) The amounts calculated as described in Subsection (10)(b) shall be rounded up to  
 98 the nearest 1 cent.

99 Section 2. Section **72-2-133** is enacted to read:

100 **72-2-133. Rural Transportation Infrastructure Fund -- Creation -- Uses.**

101 (1) As used in this section:

102 (a) "Graveled road" means the same as that term is defined in Section [72-2-108](#).

103 (b) "Paved road" means the same as that term is defined in Section [72-2-108](#).

104 (c) "Qualifying county" means a county that:

105 (i) is a county of the third through sixth class;

106 (ii) has imposed a local option sales and use tax pursuant to:

107 (A) Section [59-12-2217](#);

108 (B) Section [59-12-2218](#); or

109 (C) Section [59-12-2219](#); and

110 (iii) has not imposed a local option sales and use tax pursuant to Section [59-12-2220](#)

111 on or before January 1, 2023.

112 (d) "Qualifying municipality" means a municipality located within a qualifying county.

113 (e) "Qualifying recipient" means qualifying county or a qualifying municipality.

114 (f) "Road mile" means the same as that term is defined in Section [72-2-108](#).

115 (g) "Weighted mileage" means the same as that term is defined in Section [72-2-108](#).

116 (2) There is created  $\hat{H} \rightarrow$  **in the Transportation Fund**  $\leftarrow \hat{H}$  a restricted account called the  
 116a Rural Transportation Infrastructure  
 117 Fund.

118 (3) The Rural Transportation Infrastructure Fund shall be funded by:

- 119 (a) deposits into the account as described in Subsection [41-1a-1201\(10\)](#);
- 120 (b) appropriations by the Legislature; and
- 121 (c) other deposits into the account.
- 122 (4) The department shall administer the fund.
- 123 (5) Beginning on January 1, 2024, and subject to appropriation, the department shall
- 124 distribute revenue in the fund among qualifying recipients in the following manner:

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

128 (b) 50% in the ratio that the population of a county or municipality bears to the total  
 129 population of the state as of the last official federal census or the United States Census Bureau  
 130 estimate, whichever is most recent, except that if population estimates are not available from  
 131 the United States Census Bureau, population figures shall be derived from the estimate from  
 132 the Utah Population Committee.

133 (6) A qualifying recipient may only use funds distributed as described in this section in  
 134 the same manner as class B and class C road funds distributed in accordance with Section  
 135 [72-2-108](#).

136 (7) Before November 1 of each year, the State Tax Commission shall notify the  
 137 department and indicate which counties are qualifying counties.

138 **Section 3. Appropriation.**

139 ITEM 1

140 The following sums of money are appropriated for the fiscal year beginning July 1,  
 141 2023, and ending June 30, 2024. These are additions to amounts previously appropriated for  
 142 fiscal year 2024. The Legislature authorizes the State Division of Finance to transfer the  
 143 following amounts between the following funds or accounts as indicated. Expenditures and  
 144 outlays from the funds to which the money is transferred must be authorized by an  
 145 appropriation.

146 To Department of Transportation -- Rural Transportation Infrastructure Fund

147 From General Fund, One-time 40,000,000

148 Schedule of Programs:

149 Rural Transportation Infrastructure Fund 40,000,000

150 ITEM 2

151 The following sums of money are appropriated for the fiscal year beginning July 1,  
152 2023, and ending June 30, 2024. These are additions to amounts previously appropriated for  
153 fiscal year 2024. The Legislature authorizes the State Division of Finance to transfer the  
154 following amounts between the following funds or accounts as indicated. Expenditures and  
155 outlays from the funds to which the money is transferred must be authorized by an  
156 appropriation.

157 To Department of Transportation -- Rural Transportation Infrastructure Program

158 From Rural Transportation Infrastructure Fund, One-time 40,000,000

159 Schedule of Programs:

160 Rural Transportation Infrastructure Program 40,000,000

161 **Section 4. Effective date.**

162 (1) Except as provided in Subsection (2), this bill takes effect on May 3, 2023.

163 (2) The amendments to Section [41-1a-1201](#) in this bill take effect on January 1, 2024.