

## Summary of [SB72 Transportation Governance and Funding Revisions](#) (3rd substitute)

Sen. Wayne Harper / Rep. Kay Christofferson

In 2018, [Senate Bill 136](#) modified governance of UTA, modified and authorized local option sales taxes for transportation, authorized state funding of transit, and enhanced the coordination of transportation, land use and economic development. It also created a new [Task Force](#), which met throughout the interim period and produced follow up legislation, summarized here:

- Clarifies that [Transportation Reinvestment Zones \(TRZs\)](#) are not subject to LUDMA.
- UTA modifications:
  - Repeals name change of UTA and changes name of UTA local advisory *board* to *council*.
  - Requires integration of public transit services provided by public and private transit providers, with oversight from UDOT.
  - Requires UTA to annually report to legislature on efforts to enter into public-private partnerships.
  - Changes nominations process for future UTA Board appointments. Governor makes appointments from five individuals nominated from the following subregions:
    - 3 from Salt Lake County Mayor with the approval of the County Council, 2 from SL COG.
    - 2 from Utah County Commission, 2 from Utah County COG, 1 from Tooele County Commission.
    - 1 from Davis County Commission, 1 from Davis COG, 1 from Weber County Commission, 1 from Weber COG, 1 from Box Elder County Commission.
    - If the Governor does not appoint within 60 days, the appointment authority reverts to the counties.
    - An existing Board member can be re-appointed without other people being nominated.
    - Increases board terms from three to four years.
- Local option transportation sales taxes:
  - Creates a standard, more flexible list of allowable uses for the municipal portion of local option transportation sales taxes, including all roads, transit, active transportation, debt service, and corridor preservation, and removes now-extraneous provisions.
  - Funds from the “3<sup>rd</sup> quarter” 0.25% local option in 1st and 2nd class counties and MPO areas must still be used for new capacity or congestion mitigation projects.
  - Removes requirement that Salt Lake County expend 25% of their 3<sup>rd</sup> quarter on corridor preservation.
  - Clarifies which projects funded by 3<sup>rd</sup> quarter revenues must be part of Regional Transportation Plan.
  - Clarifies that the July 1, 2022 sunset on county imposition of the 4<sup>th</sup> quarter applies only to the four counties entirely in the UTA district (Utah, Salt Lake, Davis, Weber).
- Annually adjusts the tax rate on CNG/LNG/hydrogen fuel by the CPI, beginning Jan. 1, 2020, consistent with the indexing of motor and diesel fuels, not to exceed 22.5 cents per gallon.
- UDOT modifications:
  - Requires the UDOT executive director to be a registered professional engineer.
  - Adjusts the establishment and roles of UDOT’s deputy directors, divisions, and region directors.
  - Establishes requirements for the road usage charge (RUC) program, open to alternative fuel vehicles, to begin on Jan. 1, 2020. 100% of the RUC revenues will go to UDOT.
- State transportation capital project funding:
  - Authorizes state Transportation Investment Fund (TIF) to be used for paved pedestrian or non-motorized projects that mitigate traffic congestion and are part of an active transportation plan approved by UDOT, and Transit Transportation Investment Fund (TTIF) for such projects that establish a connection to the public transit system, pursuant to project prioritization process established by the Transportation Commission in consultation with UDOT and MPOs.
  - The 40% minimum non-state match for TTIF can be funding or other contributions to the costs of the project.
  - Renames Transportation Infrastructure Loan Fund to State Infrastructure Bank, a revolving loan fund for road, transit, or active transportation projects that are part of the state, MPO, or local plans. Requires Transportation Commission to establish a prioritization process for loans and assistance. Maximum loan term of 10 years.
- Effective date of May 14, 2019, and for tax provisions July 1, 2019.