Subsection (10)(b) that it intends to provide public transit service within a county;

(ii) is not a public transit district; and

(iii) is not annexed into a public transit district.

(d) "Public transit district" means a public transit district organized under Title 17B, Chapter 2a, Part 8, Public Transit District Act.

(2) Subject to the other provisions of this part, and subject to Subsection (17), a county legislative body may impose a sales and use tax of .25% on the transactions described in Subsection 59-12-103(1) within the county, including the cities and towns within the county.

(3) The subject to Subsections (11) and (12), the commission shall distribute sales and use tax revenue collected under this section as provided in Subsections (4) through (10).

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

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

(b) .10% shall be distributed as provided in Subsection (8); and

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

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

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

(i) .10% shall be transferred to the public transit district in accordance with Section 59-12-2206;
and use tax revenue described in Subsections (7)(a) and (b), as follows:

(i) .10% shall be distributed as provided in Subsection (8); and

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

(8) (a) Subject to Subsection (8)(b), the commission shall make the distributions required by Subsections (4)(b), (5)(a)(ii), (5)(b)(ii), (5)(c)(i), (6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), [and] (9)(d)(ii)(A), and (12)(c)(i) as follows:

(i) 50% of the total revenue collected under Subsections (4)(b), (5)(a)(ii), (5)(b)(ii), (5)(c)(i), (6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), [and] (9)(d)(ii)(A), and (12)(c)(i) within the counties and cities that impose a tax under this section shall be distributed to the unincorporated areas, cities, and towns within those counties and cities on the basis of the percentage that the population of each unincorporated area, city, or town bears to the total population of all of the counties and cities that impose a tax under this section; and

(ii) 50% of the total revenue collected under Subsections (4)(b), (5)(a)(ii), (5)(b)(ii), (5)(c)(i), (6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), [and] (9)(d)(ii)(A), and (12)(c)(i) within the counties and cities that impose a tax under this section shall be distributed to the unincorporated areas, cities, and towns within those counties and cities on the basis of the location of the transaction as determined under Sections 59-12-211 through 59-12-215.

(b) (i) Population for purposes of this Subsection (8) shall be determined on the basis of the most recent official census or census estimate of the United States Census Bureau. (ii) If a needed population estimate is not available from the United States Census Bureau, population figures shall be derived from an estimate from the Utah Population Estimates Committee created by executive order of the governor.

(9) (a)(i) Subject to the requirements in Subsections (9)(b) and (c), a county legislative body:

(A) for a county that obtained approval from a majority of the county's registered voters voting on the imposition of a sales and use tax under this section prior to May 10, 2016, may, in consultation with any cities, towns, or eligible political subdivisions within the county,
(9)(e)(ii).

(g) (i) If a county makes an allocation by adopting a resolution under Subsection (9)(a) or changes an allocation by adopting a resolution under Subsection (9)(e), the allocation shall take effect on the first distribution the commission makes under this section after a 90-day period that begins on the date the commission receives written notice meeting the requirements of Subsection (9)(g)(ii) from the county.

(ii) The notice described in Subsection (9)(g)(i) shall state:

(A) that the county will make or change the percentage of an allocation under Subsection (9)(a) or (e); and

(B) the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a public transit district or an eligible political subdivision.

(10) (a) If a public transit district is organized after the date a county legislative body first imposes a tax under this section, a change in a distribution required by this section may not take effect until the first distribution the commission makes under this section after a 90-day period that begins on the date the commission receives written notice from the public transit district of the organization of the public transit district.

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

(11)(a)(i) Notwithstanding Subsections (4) through (10), for a county that has not imposed a sales and use tax under this section before May 8, 2018, and if the county imposes a sales and use tax under this section before June 30, 2019, the commission shall distribute all of the sales and use tax revenue collected by the county before June 30, 2019, to the county for the purposes described in Subsection (11)(a)(ii).
(ii) For any revenue collected by a county pursuant to Subsection (11)(a)(i) before June 30, 2019, the county may expend that revenue for:

(A) reducing transportation related debt;
(B) a regionally significant transportation facility; or
(C) a public transit project of regional significance.

(b) For a county that has not imposed a sales and use tax under this section before May 8, 2018, and if the county imposes a sales and use tax under this section before June 30, 2019, the commission shall distribute the sales and use tax revenue collected by the county on or after July 1, 2019, as described in Subsections (4) through (10).

(c) Subject to Subsection (12), for a county that has not imposed a sales and use tax under this section before June 30, 2019, if the entire boundary of that county is annexed into a large public transit district, and if the county imposes a sales and use tax under this section on or after July 1, 2019, the commission shall distribute the sales and use tax revenue collected by the county as described in Subsections (4) through (10).

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

(b) The following cities or towns may impose the sales and use tax as described in Subsection (12)(a):

(i) in a county of the first, second, or third class, a city or town that:

(A) has been annexed into a public transit district; or
(B) is an eligible political subdivision; or
(ii) a city or town that:

(A) is in a county of the third or smaller class; and
(B) has been annexed into a large public transit district.

(e) If a city or town imposes a sales and use tax as provided in this section, the
commission shall distribute the sales and use tax revenue collected by the city or town as
follows:

(i) .125% to the city or town that imposed the sales and use tax, to be distributed as
provided in Subsection (8); and
(ii) .125%, as applicable, to:

(A) the large public transit district in which the city or town is annexed; or
(B) the eligible political subdivision for public transit services.

(d) If a city or town imposes a sales and use tax under this section and the county
subsequently imposes a sales and use tax under this section, the commission shall distribute the
sales and use tax revenue collected within the city or town as described in Subsection (12)(c).

[(++) (13)] A county, city, or town may expend revenue collected from a tax under this
section, except for revenue the commission distributes in accordance with Subsection (4)(a),
(5)(a)(i), (5)(b)(i), or (9)(d)(i) for:

(a) a class B road;
(b) a class C road;
(c) traffic and pedestrian safety, including for a class B road or class C road, for:
(i) a sidewalk;
(ii) curb and gutter;
(iii) a safety feature;
(iv) a traffic sign;
(v) a traffic signal;
(vi) street lighting; or
(vii) a combination of Subsections [(++) (13)(c)(i) through (vi);

(d) the construction, maintenance, or operation of an active transportation facility that
is for nonmotorized vehicles and multimodal transportation and connects an origin with a
destination;

(e) public transit system services; or
(f) a combination of Subsections [(13)(a)] (13)(a) through (e).

[(14)] (14) A public transit district or an eligible political subdivision may expend revenue the commission distributes in accordance with Subsection (4)(a), (5)(a)(i), (5)(b)(i), or (9)(d)(i) for capital expenses and service delivery expenses of the public transit district or eligible political subdivision.

[(15)(a)] (15)(a) Revenue collected from a sales and use tax under this section may not be used to supplant existing general fund appropriations that a county, city, or town has budgeted for transportation as of the date the tax becomes effective for a county, city, or town.

(b) The limitation under Subsection [(15)(a)] (15)(a) does not apply to a designated transportation capital or reserve account a county, city, or town may have established prior to the date the tax becomes effective.

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

[(17)(a)(i)(A)] (17)(a)(i)(A) Notwithstanding any other provision in this section, if the county, city, or town legislative body wishes to impose a sales and use tax under this section, the city or town legislative body shall pass the ordinance to impose a sales and use tax under this section on or before June 30, 2022.

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

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

(B) If the entire boundary of a county is annexed into a large public transit district, the county legislative body may not pass an ordinance to impose a sales and use tax under this section on or after July 1, 2022.
(b) Notwithstanding the deadline described in Subsection (17)(a), any sales and use tax imposed under this section on or before June 30, 2022, may remain in effect.

Section 35. Section 59-12-2220 is enacted to read:

59-12-2220. County option sales and use tax to fund a system for public transit -- Base -- Rate.

(1) Subject to the other provisions of this part and subject to the requirements of this section, beginning on July 1, 2019, the following counties may impose a sales and use tax under this section:

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

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

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

(A) Section 59-12-2213;

(B) Section 59-12-2214;

(C) Section 59-12-2215;

(D) Section 59-12-2216;

(E) Section 59-12-2217;

(F) Section 59-12-2218; and

(G) Section 59-12-2219;

(b) if the county is not annexed into a large public transit district, the county legislative body may impose the sales and use tax on the transactions described in Subsection 59-12-103(1) located within the county, including the cities and towns within the county if:

(i) the county is an eligible political subdivision as defined in Section 59-12-2219; or

(ii) a city or town within the boundary of the county is an eligible political subdivision as defined in Section 59-12-2219; or
(c) a county legislative body may impose the sales and use tax on the transactions

described in Subsection 59-12-103(1) located within the county, including the cities and towns

within the county, if there is a small public transit district within the boundary of the county.

(2) For purposes of Subsection (1) and subject to the other provisions of this section, a

county legislative body that imposes a sales and use tax under this section may impose the tax

at a rate of up to .2%.

(3) A county imposing a sales and use tax under this section shall expend the revenues

collected from the sales and use tax for capital expenses and service delivery expenses of:

(a) a public transit district;

(b) an eligible political subdivision; or

(c) another entity providing a service for public transit or a transit facility within the

county as those terms are defined in Section 17B-2a-802.

(4) Notwithstanding Section 59-12-2208, a county legislative body may, but is not

required to, submit an opinion question to the county's registered voters in accordance with

Section 59-12-2208 to impose a sales and use tax under this section.

(5) (a) Notwithstanding any other provision in this section, if a county wishes to

impose a sales and use tax under this section, the county legislative body shall pass the

ordinance to impose a sales and use tax under this section on or before June 30, 2023.

(b) The county legislative body may not pass an ordinance to impose a sales and use

tax under this section on or after July 1, 2023.

(c) Notwithstanding the deadline described in Subsection (5)(a), any sales and use tax

imposed under this section on or before June 30, 2023, may remain in effect.

(6) (a) Revenue collected from a sales and use tax under this section may not be used

to supplant existing General Fund appropriations that a county has budgeted for transportation

or public transit as of the date the tax becomes effective for a county.

(b) The limitation under Subsection (6)(a) does not apply to a designated transportation

or public transit capital or reserve account a county may have established prior to the date the