Summary of SB72
Transportation Governance and Funding Revisions (1-16-19 bill draft)

This will go to the Senate Transportation, Public Utilities, Energy, and Technology Standing Committee February 6th at 2 pm

Developed through the State Transportation and Tax Review Task Force

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.
- Changes name of the UTA local advisory board to local advisory council.
- Requires integration of public transit services provided by public and private transit providers, with oversight from UDOT.
- Allows public transit districts to exclude applicants for safety sensitive positions based on results of background checks.

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 “3rd quarter” 0.25% local option may not be used for maintenance purposes.

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 nonmotorized 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.

Provides that 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.

Additional Bills

SB34 Affordable Housing Modifications

It updates how cities and counties prepare their land use, transportation, and housing elements of their general plan, including enhanced coordination of housing development with transportation investment. The current bill enhances reporting requirements on the moderate income housing element of the plan and provides that annual reports are to be sent to DWS and MPOs/AOGs. The bill provides a menu of about 25 options a city or county can use to promote housing affordability. It changes the quorum and membership requirements of and increases funding (one-time and ongoing) for the Olene Walker Housing Loan Fund. It also provides that if a city or county is not in compliance with the moderate income housing plan requirements, that community is not eligible for project funding from UDOT's Transportation Investment Fund and Transit Transportation Investment Fund (TIF/TTIF). There was a debate about the efficacy of the TIF eligibility provision; some developers believe that it doesn't go far enough and suggest considering other approaches including a tie to B&C road funds.