

HB488 Transportation Funding Modifications (2024)
(Rep. Spendlove / Sen. Cullimore)

This bill makes a number of changes to new and existing state and local transportation funding programs, and provides funding for specific transportation projects.

1. Provides additional ongoing funding to the Transit Transportation Investment Fund (TTIF) for commuter rail improvements

- a. This bill creates a Commuter Rail Restricted Account within the TTIF at UDOT to be used for improvements to UTA commuter rail, as prioritized by the Utah Transportation Commission, for “projects that improve the state's commuter rail infrastructure, including the building or improvement of grade-separated crossings between commuter rail lines and public highways.” (lines 1974-1992)
- b. Transfers annually an amount equal to 1% of the state sales tax – roughly \$45M in 2025 – from the Transportation Investment Fund into the TTIF Commuter Rail subaccount. (lines 518-527, 1064-1073)
- c. This important funding furthers Utah’s commitment to multimodal transportation investment. It recognizes the critical role that commuter rail plays as the spine of the region’s transit system.

2. Allows Salt Lake County to use the county share of the “5th 5th” local option sales tax for public safety in addition to transportation

- a. The bill allows the .05% Salt Lake County portion of the .20% local option sales tax to be used for public safety, in addition to transportation (lines 1350-1356). Currently, the .05% to counties may only be used for transportation purposes.
- b. The 5th 5th has only been imposed by Utah County and Summit County.

3. Provides funding for specific projects from the County of the First Class Highway Projects Fund (lines 1679-1717)

- a. The CFCHP includes a portion of the 2nd and 3rd Quarter Local Option Sales Tax revenues within Salt Lake County. Historically, this fund has been subject to legislative appropriation, and is administered by UDOT. The following projects are funded in the bill for fiscal years 24-25 and 25-26, on a reimbursement basis:
 - i. **\$3.2M - South Jordan** Bingham Rim Road From Grandville Avenue to Mountain View Corridor
 - ii. **\$1.0M - South Jordan** U-111 and Old Bingham Highway arterials
 - iii. **\$1.96M - Midvale** Center Street between State Street and 700 West
 - iv. **\$3.5M - Salt Lake** First/Last Mile public transit improvements throughout the city
 - v. **\$1.5M - Cottonwood Heights** Fort Union Blvd. and 2300 East.
 - vi. **\$3.45M - Draper** Bangerter Highway between 13800 S. and I-15
 - vii. **\$10.5M - Herriman** U-111 to 13200 S. road construction
 - viii. **\$3M - West Jordan** improvements to 1300 W.

- ix. **\$1.05M - Riverton** Welby Jacob Canal Trail between 11800S. and 13800S.
- x. **\$1.25M - Murray** Murray Blvd. improvements between 4800 & 5300 S.
- xi. **\$1.45M - West Valley** 5400S. to U-111 road construction
- xii. **\$1.84M - Magna** construction and improvements 8400 W and 4100 S.
- xiii. **\$1.2M - Millcreek** 2000E. reconstruction and improvements between 3000S. and Atkin Ave.
- xiv. **\$1.23M - Holladay** Highland Drive between Van Winkle and Arbor Lane
- xv. **\$1.8M - West Valley** 4000. between 4100 S. and 4700 S. and improvements to 4700 S. from 4000 W. to Bangerter Highway
- xvi. **\$3.5M - Taylorsville** Bangerter Highway and 4700 S.
- xvii. **\$1M - Taylorsville** 4700 S at the I-215 interchange
- xviii. Increases annual funding to **Taylorsville from \$2M to \$2.3M** through 2036 (Line 1665)
- xix. **The Sandy City Quarry Bend Pedestrian Bridge at 9000S (\$3M) that was in HB488 as introduced is not included in the final version of the bill.*
- xx. Removes some outdated project funding references (lines 1637-1659)

4. Provides funding for specific projects out of the Rail Restricted Account (lines 2173-2182):

- a. \$10M - Vineyard 12th Overpass Project
- b. \$1M - Orem Center Street Railroad Crossing

5. Creates the County of the First Class (Salt Lake County) Infrastructure Bank Fund (CFCIBF) and modifies the distribution of funds from the “5th 5th” local option sales tax in Salt Lake County

- a. This bill would create a new County of the First Class Infrastructure Bank Fund (CFCIBF) (lines 1995-2159) (*Utah Code* § [72-2-302](#))
 - i. The fund would be administered by UDOT (akin to UDOT’s administration of the existing County of the First Class Highway Projects Fund and the State Infrastructure Bank).
 - ii. Loans would be available to “provide financial assistance for transportation projects or publicly owned infrastructure projects” to public entities.
 - iii. The Department would adopt rules governing the loan fund.
 - iv. Loans would have the same structure and terms as current State Infrastructure Bank loans, but with a 20-year repayment term, rather than 15 (lines 2098-2138)
- b. If Salt Lake County imposes the 5th 5th (.20%) local option, it would generate approximately \$75M per year that would be divided in the following manner (Utah Code § [59-12-2220](#)):
 - i. .05% is distributed to the cities for transportation (no change to current law)

- ii. .05% is distributed to the county for transportation and/or public safety (public safety uses are added by this bill)
- iii. For the first three years after imposition, .10% is distributed in the following manner: (lines 1748-1753)
 - 1. 10% of the .10% (or .01%) to UDOT to construct an **express bus facility on 5600 West** (estimated over the first three years to total ~\$11M)
 - 2. 90% of the .10% (or .09%) into the new County of the First Class Infrastructure Bank Fund (estimated over the first three years to total ~\$100M).
- iv. After the first three years, .10% is distributed in the following manner:
 - 1. 50% of the .10% (or .05%) to the County of the First Class Highway Projects Fund for transit.
 - 2. 50% of the .10% to UDOT for the TTIF (no change to current law).
- v. (For a refresher on the 5th 5th, see this [bill summary](#) of SB260 from 2023).
- c. As repayments come in to the County of the First Class Infrastructure Bank Fund (CFCIBF), the bill directs them to be spent in the following manner (lines 2149-2159):
 - i. **50% to Sandy City** for a bridge connecting a commuter rail station on the west-side of I-15 to the east-side of I-15 (estimated \$50M).
 - ii. **30% Bluffdale City** for construction of a multiple-lane, grade-separated rail crossing at 1000W and 14600S (estimated \$30M).
 - iii. **20% to UDOT** to construct and provide enhanced ingress and egress to a transit mobility center on property north of Big Cottonwood Canyon (estimated \$20M).

6. Allows 3rd-6th class counties to impose a 0.30% Local Option Sales Tax for transportation and/or public safety purposes (lines 1169-1176)

- a. This modifies a local option tax that is already authorized in statute (59-12-2216) to allow the funds to be used for public safety purposes in addition to transportation. This tax can be imposed by action of the county legislative body (lines 1164-1169).
- b. It has not been imposed by many counties. It is one of two options for the “second quarter”.

7. Adjusts funding going to the Cottonwood Canyons Transportation Investment Fund (CCTIF)

- a. Currently, the CCTIF receives \$20M annually in funding transferred from the Transportation Investment Fund. HB488 converts the fixed \$20M to an equivalent .44% of the annual state sales tax (lines 454-460, 510-533, 942-972, 1013-1036)
- b. The bill would allow 2% of the CCTIF to be directed for public safety in the canyons (lines 1952-1954).

8. **Adds several state transportation infrastructure accounts to funds with nonlapsing authority (1538-1543)**