

# STATE SUMMARY OF COUNTY TRANSPORTATION FUNDING AND FINANCE

## UTAH COUNTIES

### FUNDING SOURCES FOR COUNTY TRANSPORTATION PROJECTS

#### From State Funds:

- Counties receive a portion of the Local Transportation Corridor Preservation Fund. A county highway authority could use funds from the Local Transportation Corridor Preservation fund for countywide transportation planning if the county's planning focuses outside the boundaries of a metropolitan planning organization. Additionally, it allows a county to use the funds generated from a local option highway construction and transportation corridor preservation fee as a revolving loan fund.

#### From County Funds:

- Grants: Counties may qualify for money for capital improvements from grants that do not require repayment.
- Counties can pledge their revenues and other resources to borrow money by issuing tax-exempt municipal bonds. Interest must be paid over the life of the bonds. Types of debt include General Obligation (G.O.) Bonds, Revenue Bonds (Enterprise Fund), Sales and Excise Tax Revenue Bonds, Tax Increment Bonds and Special Assessment Bonds.

### COUNTIES FACE THE FOLLOWING CHALLENGES IN FUNDING AND FINANCING TRANSPORTATION PROJECTS

- Counties have insufficient funding to cover maintenance costs, there have been no new revenues for counties in over 16 years.
- Counties must provide road maintenance of federal lands, but federal payments are insufficient to cover these costs.

### NEW FUNDING AND FINANCING SOLUTIONS FOR COUNTIES

- Counties are seeking state authorization to provide for local option fuel taxes or increases in the statewide tax which is partially shared with counties.
- Counties are proposing increasing the federal payments in lieu of taxes to cover a higher portion of the maintenance costs for roads and federal lands.

Share of County Owned <b>Road Miles</b> Out of Public Roads Statewide	<b>53%</b>
Share of County Owned <b>Bridges</b> Out of Public Bridges Statewide	<b>19%</b>
Share of <b>Structurally Deficient Bridges</b> Out of County Owned Bridges	<b>9%</b>

COUNTY FINANCIAL AUTHORITY		
	County Authority	Limitations
Levy Property Taxes	X	Property taxes for counties with total taxable value of more or less than \$100 million are 16 or 18 mills, respectively.
Levy Personal Property Taxes		
Levy Local Option Sales Taxes	X	Counties may levy two general-purpose local option sales taxes, a local option sales tax up to 1%, and a county option sales tax up to ¼%
Levy a Local Gas Tax		
Charge a Motor Vehicle License or Registration Fee	X	Counties can impose a vehicle rental tax up to 4% with revenues going towards tourism promotion.
Form Special Districts for Transportation	X	Special road districts and special county service areas can impose property taxes and special assessments for roads up to 0.14%

- The Pay-As-You-Go program allows counties to spend money on capital projects as the funds are collected. As a result the county will avoid having to pay interest or other financing costs, but the county may not be able to complete a project for several years and the cost of the project may increase due to construction inflation costs.
- The Save Up and Set Aside program allows counties to save money over a period of time and build a new facility when sufficient funds have been collected and saved. This method avoids interest costs (in fact the county will earn interest on the saved money), but construction costs may be affected by inflation over time.

### BREAKDOWN OF COUNTY TRANSPORTATION FUNDING<sup>1</sup>

County Share	<b>65%</b>
State Share	<b>32%</b>
Federal Share	<b>3%</b>

<sup>1</sup> This is an estimate based on information from the Utah Association of Counties.