**R940. Transportation Commission, Administration.**

**R940-12. County of the First Class Infrastructure Bank Fund.**

**R940-12-1. Authority and Purpose.**

(1) This rule is authorized by Sections 72-2-302 and 72-2-303.

(2) The purpose of this rule is to establish procedures, standards, and a prioritization process the commission will follow to approve infrastructure loans and infrastructure assistance through the County of the First Class Infrastructure Bank Fund created by Section 72-2-302.

**R940-12-2. Definitions.**

(1) The definitions in Section 72-2-301 apply to this rule.

(2) In addition:

(a) "Commission" means the Transportation Commission created by Section 72-1-301.

(b) "Department" means the Department of Transportation created by Section 72-1-201.

(c) "Grant" means an amount of fund money provided to a public entity described in Section 72-2-302.

(d) "Project" includes a transportation project or a publicly owned infrastructure project.

(e) "CFCIB" means the County of the First Class Infrastructure Bank Fund created in Section 72-2-302.

**R940-12-3. Procedures and Standards for an Infrastructure Loan or Assistance from the CFCIB.**

(1) The procedures for an infrastructure loan or assistance from the CFCIB are as follows:

(a) Under Title 72, Chapter 2, Part 3, County of the First Class Infrastructure Bank Fund, and this rule, a public entity is eligible to apply for and receive an infrastructure loan or assistance through the CFCIB.

(b) A public entity must request an infrastructure loan or assistance using an application form provided by the department.

(c) The public entity must complete and submit the application according to the application instructions.

(d) The public entity must state clearly if it is applying for an infrastructure loan or assistance.

(e) The application form with instructions is available on the department's website at https://www.udot.utah.gov/connect/business/public-entities/sib/.

(2) The standards for an infrastructure loan or assistance from the CFCIB are as follows:

(a) An infrastructure loan from the CFCIB fund must bear interest at or above the market interest rate available to the state.

(b) The commission will determine the interest rate for an infrastructure loan by adding 0.5% to the rate for AAA Municipal General Obligation Bonds obtained from the state treasurer as of the date of the completed application.

(c) The public entity must begin repaying the infrastructure loan no later than the completion date of the project or the date the public entity opens the facility to traffic in the case of a highway project. Interest will accrue during the period between loan closing and the agreed-upon estimated project completion date and will be capitalized and added to the loan's principal balance.

(d) The repayment period for an infrastructure loan may not exceed the term identified in Title 72, Chapter 2, Part 3, County of the First Class Infrastructure Bank Fund.

(e) Loan documents must state the execution date and repayment deadline date for the infrastructure loan.

(f) The public entity may pledge any of a revenue source controlled by the public entity to repay the loan.

(g) The public entity must repay loans in monthly, quarterly, or yearly installments.

(h) If the applicant does not fully execute the infrastructure assistance or loan within 180 days of the date the commission approves the application, the application will expire unless the applicant requests and the commission approves a continuation of the terms. Continuations are limited to a maximum of 180 days each.

(3)(a) Before providing an infrastructure loan or assistance through application as provided in this section, the department shall use money in the fund to provide the loans and grants described in Section 72-2-302.

(b) The department shall keep infrastructure loan repayments in a separate account and shall disburse them according to Section 72-2-306.

(c) Unless otherwise provided by state law, a public entity is not required to pay back a grant.

**R940-12-4. Prioritizing Requests for an Infrastructure Loan or Infrastructure Assistance.**

(1) The commission will follow a prioritization framework to evaluate and prioritize requests for an infrastructure loan or assistance.

(2) Using the prioritization framework, the commission will score each qualified project.

(3) The department will publish the prioritization framework on the department's website at https://www.udot.utah.gov/connect/business/public-entities/sib/.

**R940-12-5. Commission Discretion.**

The commission may approve a request for an infrastructure loan or assistance ahead of another request with a higher prioritization score for good cause, as determined by the commission during a public meeting.

**KEY: County of the First Class Bank Fund, CFCIB loan, CFCIB assistance, CFCIB**

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**Authorizing, and Implemented or Interpreted Law: 72-2-303**