

State Impact

Passage of this bill would appropriate \$50 million from income tax revenues one-time in FY 2007 to the Division of Facilities, Construction, and Management for the construction of two research centers (one at Utah State University, the other at the University of Utah). The bill also creates the Utah Science Technology and Research Governing Authority and appropriates to it \$15.25 million ongoing from the General Fund for the USTAR project.

A general obligation bond of \$110 million will be issued for facilities (plus issuance costs) when the University of Utah and Utah State University meet conditions of the bill. Assuming a standard six-year repayment period with flattened payments at today's interest rates, there will be six annual payments of approximately \$20.6 million. The actual debt service schedule will vary according to how the bond is structured.

	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2007</u> <u>Revenue</u>	<u>FY 2008</u> <u>Revenue</u>
General Fund	\$15,250,000	\$15,250,000	\$0	\$0
Income Tax, One-Time	\$50,000,000	\$0	\$0	\$0
Dedicated Credits	\$0	\$0	\$110,000,000	\$0
TOTAL	\$65,250,000	\$15,250,000	\$110,000,000	\$0

Individual and Business Impact

Passage of this bill could enhance high technology and research development throughout the state. Entrepreneurs and businesses may benefit from the technology outreach program the bill creates.
