

**Chapter 3
1994 Bonding**

**Part 1
Capital Facilities and Capital Improvement Bonding**

63B-3-101 State Bonding Commission authorized to issue general obligation bonds.

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds to provide funds to the division.

Enacted by Chapter 300, 1994 General Session

63B-3-102 Maximum amount -- Projects authorized.

(1) The total amount of bonds issued under this part may not exceed \$64,600,000.

- (2)
- (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).
 - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period and all related engineering, architectural, and legal fees.
 - (c) For the division, proceeds shall be provided for the following:

CAPITAL IMPROVEMENTS		
1	Alterations, Repairs, and Improvements	\$5,000,000
		\$5,000,000
TOTAL IMPROVEMENTS		

CAPITAL AND ECONOMIC DEVELOPMENT			
PRIORITY PROJECT	PROJECT DESCRIPTION	AMOUNT FUNDED	ESTIMATED OPERATIONS AND MAINTENANCE COSTS
1	University of Utah Marriott Library Phase III (Final)	\$13,811,500	\$881,600
2	Bridgerland Applied Technology Center Utah State University Space	\$2,400,000	\$0
3	Weber State University - Heat Plant	\$2,332,100	\$9,600
4	Department of Human Services - Division of Youth Corrections renamed	\$4,180,000	\$400,000

in 2003 to the Division of Juvenile
Justice Services

5	Snow College - Administrative Services/ Student Center	\$3,885,100	\$224,500
6	Ogden Weber Applied Technology Center - Metal Trades Building Design and Equipment Purchase	\$750,000	\$0
7	Department of Corrections B-Block Remodel	\$1,237,100	\$72,000
8	Utah State University - Old Main Phase III Design	\$550,000	\$0
9	Department of Corrections - 144 bed Uintah Expansion	\$6,700,000	\$168,800
10	Southern Utah University Administrative Services/Student Center	\$5,630,400	\$314,200
11	Anasazi Museum	\$760,200	\$8,500
12	Hill Air Force Base - Easements Purchase	\$9,500,000	\$0
13	Signetics Building Remodel	\$2,000,000	\$0
14	Antelope Island Visitors Center	\$750,000	\$30,000
15	State Fair Park - Master Study	\$150,000	\$0
16	Utah National Guard - Draper Land	\$380,800	\$0
17	Davis Applied Technology Center - Design	\$325,000	\$0
18	Palisade State Park - Land and Park Development	\$800,000	\$0
19	Department of Human Services - Cedar City Land	\$80,000	\$0
20	Department of Human Services - Clearfield Land	\$163,400	\$0
21	Electronic technology, equipment, and hardware	\$2,500,000	\$0

TOTAL CAPITAL AND ECONOMIC DEVELOPMENT \$58,885,600

TOTAL IMPROVEMENTS AND CAPITAL
AND ECONOMIC DEVELOPMENT \$63,885,600

(d) For purposes of this section, operations and maintenance costs:

(i) are estimates only;

(ii) may include any operations and maintenance costs already funded in existing agency budgets; and

(iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

- (3)
- (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
 - (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
 - (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.
- (4)
- (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
 - (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
 - (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
 - (d) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.
- (5)
- (a) For those projects for which only partial funding is provided in Subsection (2), it is the intent of the Legislature that the balance necessary to complete the projects be addressed by future Legislatures, either through appropriations or through the issuance or sale of bonds.
 - (b) For those phased projects, the division may enter into contracts for amounts not to exceed the anticipated full project funding but may not allow work to be performed on those contracts in excess of the funding already authorized by the Legislature.
 - (c) Those contracts shall contain a provision for termination of the contract for the convenience of the state.
 - (d) It is also the intent of the Legislature that this authorization to the division does not bind future Legislatures to fund projects initiated from this authorization.

Amended by Chapter 196, 2014 General Session

63B-3-103 Use of bond proceeds for issuance and other costs.

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-3-102 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Enacted by Chapter 300, 1994 General Session

63B-3-104 Manner of issuance -- Amounts, interest, and maturity.

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 300, 1994 General Session

63B-3-105 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.

- (1) In the issuance of bonds, the commission may determine by resolution:
 - (a) the manner of sale, including public or private sale;
 - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
 - (c) denominations;
 - (d) form;
 - (e) manner of execution;
 - (f) manner of authentication;
 - (g) place and medium of purchase;
 - (h) redemption terms; and
 - (i) other provisions and details it considers appropriate.
- (2) The commission may by resolution adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)
 - (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
 - (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
 - (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
 - (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.
- (4)
 - (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
 - (b) Bonds in changed denominations shall:
 - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
 - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.
- (5)
 - (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
 - (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.

- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302 or protected records as provided in Section 63G-2-305.
 - (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.
- (6) The commission may:
- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
 - (b) enter into agreements with financial and other institutions and attorneys to provide for:
 - (i) the calculation, holding, and payment of those amounts; and
 - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

63B-3-106 Constitutional debt limitation.

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Article XIV, Sec. 1, Utah Constitution.
- (2) For purposes of applying the debt limitation contained in Article XIV, Sec. 1, Utah Constitution, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 300, 1994 General Session

63B-3-107 Tax levy -- Abatement of tax.

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
 - (a) applicable bond redemption premiums, if any;
 - (b) interest on the bonds as it becomes due; and
 - (c) principal of the bonds as it becomes due.
- (2)
 - (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.
 - (b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 300, 1994 General Session

63B-3-108 Creation of sinking fund.

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1994 General Obligation Bonds Sinking Fund."

- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 300, 1994 General Session

63B-3-109 Payment of interest, principal, and redemption premiums.

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
 - (a) promptly pay the warrants from funds within the sinking fund; and
 - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 300, 1994 General Session

63B-3-110 Investment of sinking fund money.

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 300, 1994 General Session

63B-3-111 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.

- (1)
 - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
 - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
 - (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
 - (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
 - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

63B-3-112 Refunding of bonds.

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 300, 1994 General Session

63B-3-113 Certification of satisfaction of conditions precedent -- Conclusiveness.

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all conditions precedent.

Enacted by Chapter 300, 1994 General Session

63B-3-114 Tax exemption.

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 300, 1994 General Session

63B-3-115 Legal investment status.

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 300, 1994 General Session

63B-3-116 Publication of resolution or notice -- Limitation on actions to contest legality.

- (1) The commission may:
 - (a) publish any resolution it adopts under this chapter:
 - (i) once in a newspaper having general circulation in Utah; and
 - (ii) as required in Section 45-1-101; or
 - (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection 11-14-316(2).
- (2)
 - (a) Any interested person, for 30 days after the date of publication, may contest:
 - (i) the legality of the resolution;
 - (ii) any of the bonds authorized under it; or
 - (iii) any of the provisions made for the security and repayment of the bonds.
 - (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

63B-3-117 Report to Legislature.

The governor shall report the commission's proceedings to each annual general session of the Legislature in his budget for as long as bonds issued under this chapter remain outstanding.

Enacted by Chapter 300, 1994 General Session

Part 2

Highway General Obligation Bonds

63B-3-201 State Bonding Commission authorized to issue general obligation bonds.

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds, to provide funds to the Department of Transportation.

Enacted by Chapter 300, 1994 General Session

63B-3-202 Maximum amount -- Projects authorized.

- (1) The total amount of bonds issued under this part may not exceed \$12,300,000.
- (2)
 - (a) Proceeds from the issuance of bonds shall be provided to the Department of Transportation as follows:
 - (i) not more than \$7,250,000 to provide funds to pay all or part of the cost of constructing the Bangerter Highway;
 - (ii) not more than \$2,000,000 to provide funds to pay all or part of the cost of enhancing and improving the 90th South interchange;
 - (iii) not more than \$1,000,000 to provide funds to pay all or part of the cost of enhancing and improving the I-15 interchange at South University Avenue in Provo;
 - (iv) not more than \$250,000 to provide funds to pay all or part of the cost of the Ogden I-15 Environmental Study; and
 - (v) not more than \$1,500,000 to provide funds to pay all or part of the cost of constructing class II sound walls on the interstate system in Salt Lake County according to the Department of Transportation priority list.
 - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.
- (3) If, after completion of the projects authorized under Subsection (2)(a) and payment of the costs of issuing and selling the bonds under Section 63B-3-203, any bond proceeds remain unexpended, the Department of Transportation may use those unexpended proceeds to pay all or part of the costs of construction projects approved by the Utah Transportation Commission.
- (4) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.
- (5) The Department of Transportation may enter into agreements related to that project before the receipt of proceeds of bonds issued under this chapter.

Enacted by Chapter 300, 1994 General Session

63B-3-203 Bond proceeds may be used to pay costs of issuance and sale.

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-3-202 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Enacted by Chapter 300, 1994 General Session

63B-3-204 Manner of issuance -- Amounts, interest, and maturity.

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 300, 1994 General Session

63B-3-205 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.

- (1) In the issuance of bonds, the commission may determine by resolution:
 - (a) the manner of sale, including public or private sale;
 - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
 - (c) denominations;
 - (d) form;
 - (e) manner of execution;
 - (f) manner of authentication;
 - (g) place and medium of purchase;
 - (h) redemption terms; and
 - (i) other provisions and details it considers appropriate.
- (2) The commission may by resolution adopt a plan of financing which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)
 - (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
 - (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
 - (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
 - (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.

- (4)
 - (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
 - (b) Bonds in changed denominations shall:
 - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
 - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.
- (5)
 - (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
 - (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
 - (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302, or protected records as provided in Section 63G-2-305.
 - (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.
- (6) The commission may:
 - (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
 - (b) enter into agreements with financial and other institutions and attorneys to provide for:
 - (i) the calculation, holding, and payment of those amounts; and
 - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

63B-3-206 Constitutional debt limitation.

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Article XIV, Sec. 1, Utah Constitution.
- (2) For purposes of applying the debt limitation contained in Article XIV, Sec. 1, Utah Constitution, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 300, 1994 General Session

63B-3-207 Tax levy -- Abatement of tax.

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
 - (a) applicable bond redemption premiums, if any;
 - (b) interest on the bonds as it becomes due; and
 - (c) principal of the bonds as it becomes due.
- (2)
 - (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.
 - (b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 300, 1994 General Session

63B-3-208 Creation of sinking fund.

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1994 Highway General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 300, 1994 General Session

63B-3-209 Payment of interest, principal, and redemption premiums.

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
 - (a) promptly pay the warrants from funds within the sinking fund; and
 - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 300, 1994 General Session

63B-3-210 Investment of sinking fund money.

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 300, 1994 General Session

63B-3-211 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.

- (1)
 - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
 - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
 - (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
 - (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
 - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

63B-3-212 Refunding of bonds.

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 300, 1994 General Session

63B-3-213 Certification of satisfaction of conditions precedent -- Conclusiveness.

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all such conditions.

Enacted by Chapter 300, 1994 General Session

63B-3-214 Tax exemption.

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 300, 1994 General Session

63B-3-215 Legal investment status.

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 300, 1994 General Session

63B-3-216 Publication of resolution or notice -- Limitation on actions to contest legality.

- (1) The commission may:
 - (a) publish any resolution it adopts under this chapter:
 - (i) once in a newspaper having general circulation in Utah; and
 - (ii) as required in Section 45-1-101; or
 - (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection 11-14-316(2).
- (2)
 - (a) Any interested person, for 30 days after the date of publication, may contest:
 - (i) the legality of the resolution;
 - (ii) any of the bonds authorized under it; or
 - (iii) any of the provisions made for the security and repayment of the bonds.
 - (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

63B-3-217 Report to Legislature.

The governor shall report the commission's proceedings to each annual general session of the Legislature in his budget for as long as bonds issued under this chapter remain outstanding.

Enacted by Chapter 300, 1994 General Session

**Part 3
Legislative Intent**

63B-3-301 Legislative intent -- Additional projects.

- (1) It is the intent of the Legislature that, for any lease purchase agreement that the Legislature may authorize the Division of Facilities Construction and Management to enter into during its 1994 Annual General Session, the State Building Ownership Authority, at the reasonable rates and amounts it may determine, and with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Management and Budget, may seek out the most cost effective and prudent lease purchase plans available to the state and may, pursuant to Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, certificate out interests in, or obligations of the authority pertaining to:
 - (a) the lease purchase obligation; or
 - (b) lease rental payments under the lease purchase obligation.
- (2) It is the intent of the Legislature that the Department of Transportation dispose of surplus real properties and use the proceeds from those properties to acquire or construct through the Division of Facilities Construction and Management a new District Two Complex.
- (3) It is the intent of the Legislature that the State Building Board allocate funds from the Capital Improvement appropriation and donations to cover costs associated with the upgrade of the Governor's Residence that go beyond the restoration costs which can be covered by insurance proceeds.
- (4)

- (a) It is the intent of the Legislature to authorize the State Building Ownership Authority under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, to issue or execute obligations or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$10,600,000 for the construction of a Natural Resources Building in Salt Lake City, together with additional amounts necessary to:
 - (i) pay costs of issuance;
 - (ii) pay capitalized interest; and
 - (iii) fund any debt service reserve requirements.
 - (b) It is the intent of the Legislature that the authority seek out the most cost effective and prudent lease purchase plan available with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Management and Budget.
 - (c) It is the intent of the Legislature that the operating budget for the Department of Natural Resources not be increased to fund these lease payments.
- (5)
- (a) It is the intent of the Legislature to authorize the State Building Ownership Authority under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, to issue or execute obligations or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$8,300,000 for the acquisition of the office buildings currently occupied by the Department of Environmental Quality and approximately 19 acres of additional vacant land at the Airport East Business Park in Salt Lake City, together with additional amounts necessary to:
 - (i) pay costs of issuance;
 - (ii) pay capitalized interest; and
 - (iii) fund any debt service reserve requirements.
 - (b) It is the intent of the Legislature that the authority seek out the most cost effective and prudent lease purchase plan available with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Management and Budget.
- (6)
- (a) It is the intent of the Legislature to authorize the State Building Ownership Authority under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, to issue or execute obligations or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$9,000,000 for the acquisition or construction of up to two field offices for the Department of Human Services in the southwestern portion of Salt Lake County, together with additional amounts necessary to:
 - (i) pay costs of issuance;
 - (ii) pay capitalized interest; and
 - (iii) fund any debt service reserve requirements.
 - (b) It is the intent of the Legislature that the authority seek out the most cost effective and prudent lease purchase plan available with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Management and Budget.
- (7)
- (a) It is the intent of the Legislature to authorize the State Building Ownership Authority under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, to issue or execute obligations or enter into or arrange for lease purchase agreements in which participation interests may be created, to provide up to \$5,000,000 for the acquisition or

construction of up to 13 stores for the Department of Alcoholic Beverage Control, together with additional amounts necessary to:

- (i) pay costs of issuance;
 - (ii) pay capitalized interest; and
 - (iii) fund any debt service reserve requirements.
- (b) It is the intent of the Legislature that the authority seek out the most cost effective and prudent lease purchase plan available with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Management and Budget.
- (c) It is the intent of the Legislature that the operating budget for the Department of Alcoholic Beverage Control not be increased to fund these lease payments.
- (8)
- (a) It is the intent of the Legislature to authorize the State Building Ownership Authority under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, to issue or execute obligations or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$6,800,000 for the construction of a Prerelease and Parole Center for the Department of Corrections, containing a minimum of 300 beds, together with additional amounts necessary to:
- (i) pay costs of issuance;
 - (ii) pay capitalized interest; and
 - (iii) fund any debt service reserve requirements.
- (b) It is the intent of the Legislature that the authority seek out the most cost effective and prudent lease purchase plan available with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Management and Budget.
- (9) If S.B. 275, 1994 General Session, which authorizes funding for a Courts Complex in Salt Lake City, becomes law, it is the intent of the Legislature that:
- (a) the Legislative Management Committee, the Interim Appropriation Subcommittees for General Government and Capital Facilities and Executive Offices, Courts, and Corrections, the Office of the Legislative Fiscal Analyst, the Governor's Office of Management and Budget, and the State Building Board participate in a review of the proposed facility design for the Courts Complex no later than December 1994; and
 - (b) although this review will not affect the funding authorization issued by the 1994 Legislature, it is expected that Division of Facilities Construction and Management will give proper attention to concerns raised in these reviews and make appropriate design changes pursuant to the review.
- (10) It is the intent of the Legislature that:
- (a) the Division of Facilities Construction and Management, in cooperation with the Division of Youth Corrections renamed in 2003 to the Division of Juvenile Justice Services, develop a flexible use prototype facility for the Division of Youth Corrections renamed in 2003 to the Division of Juvenile Justice Services;
 - (b) the development process use existing prototype proposals unless it can be quantifiably demonstrated that the proposals cannot be used;
 - (c) the facility is designed so that with minor modifications, it can accommodate detention, observation and assessment, transition, and secure programs as needed at specific geographical locations;
 - (d)

- (i) funding as provided in the fiscal year 1995 bond authorization for the Division of Youth Corrections renamed in 2003 to the Division of Juvenile Justice Services is used to design and construct one facility and design the other;
 - (ii) the Division of Youth Corrections renamed in 2003 to the Division of Juvenile Justice Services shall:
 - (A) determine the location for the facility for which design and construction are fully funded; and
 - (B) in conjunction with the Division of Facilities Construction and Management, determine the best methodology for design and construction of the fully funded facility;
 - (e) the Division of Facilities Construction and Management submit the prototype as soon as possible to the Infrastructure and General Government Appropriations Subcommittee and Executive Offices, Criminal Justice, and Legislature Appropriation Subcommittee for review;
 - (f) the Division of Facilities Construction and Management issue a Request for Proposal for one of the facilities, with that facility designed and constructed entirely by the winning firm;
 - (g) the other facility be designed and constructed under the existing Division of Facilities Construction and Management process;
 - (h) that both facilities follow the program needs and specifications as identified by Division of Facilities Construction and Management and the Division of Youth Corrections renamed in 2003 to the Division of Juvenile Justice Services in the prototype; and
 - (i) the fully funded facility should be ready for occupancy by September 1, 1995.
- (11) It is the intent of the Legislature that the fiscal year 1995 funding for the State Fair Park Master Study be used by the Division of Facilities Construction and Management to develop a master plan for the State Fair Park that:
- (a) identifies capital facilities needs, capital improvement needs, building configuration, and other long term needs and uses of the State Fair Park and its buildings; and
 - (b) establishes priorities for development, estimated costs, and projected timetables.
- (12) It is the intent of the Legislature that:
- (a) the Division of Facilities Construction and Management, in cooperation with the Division of Parks and Recreation and surrounding counties, develop a master plan and general program for the phased development of Antelope Island;
 - (b) the master plan:
 - (i) establish priorities for development;
 - (ii) include estimated costs and projected time tables; and
 - (iii) include recommendations for funding methods and the allocation of responsibilities between the parties; and
 - (c) the results of the effort be reported to the Natural Resources, Agriculture, and Environmental Quality Appropriations Subcommittee and Infrastructure and General Government Appropriations Subcommittee.
- (13) It is the intent of the Legislature to authorize the University of Utah to use:
- (a) bond reserves to plan, design, and construct the Kingsbury Hall renovation under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director; and
 - (b) donated and other nonappropriated funds to plan, design, and construct the Biology Research Building under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.
- (14) It is the intent of the Legislature to authorize Utah State University to use:

- (a) federal and other funds to plan, design, and construct the Bee Lab under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director;
 - (b) donated and other nonappropriated funds to plan, design, and construct an Athletic Facility addition and renovation under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director;
 - (c) donated and other nonappropriated funds to plan, design, and construct a renovation to the Nutrition and Food Science Building under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director; and
 - (d) federal and private funds to plan, design, and construct the Millville Research Facility under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.
- (15) It is the intent of the Legislature to authorize Salt Lake Community College to use:
- (a) institutional funds to plan, design, and construct a remodel to the Auto Trades Office and Learning Center under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director;
 - (b) institutional funds to plan, design, and construct the relocation and expansion of a temporary maintenance compound under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director; and
 - (c) institutional funds to plan, design, and construct the Alder Amphitheater under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.
- (16) It is the intent of the Legislature to authorize Southern Utah University to use:
- (a) federal funds to plan, design, and construct a Community Services Building under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director; and
 - (b) donated and other nonappropriated funds to plan, design, and construct a stadium expansion under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.
- (17) It is the intent of the Legislature to authorize the Department of Corrections to use donated funds to plan, design, and construct a Prison Chapel at the Central Utah Correctional Facility in Gunnison under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.
- (18) If the Utah National Guard does not relocate in the Signetics Building, it is the intent of the Legislature to authorize the Guard to use federal funds and funds from Provo City to plan and design an Armory in Provo, Utah, under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.
- (19) It is the intent of the Legislature that the Utah Department of Transportation use \$250,000 of the fiscal year 1995 highway appropriation to fund an environmental study in Ogden, Utah of the 2600 North Corridor between Washington Boulevard and I-15.
- (20) It is the intent of the Legislature that the Ogden-Weber Applied Technology Center use the money appropriated for fiscal year 1995 to design the Metal Trades Building and purchase equipment for use in that building that could be used in metal trades or other programs in other Applied Technology Centers.

- (21) It is the intent of the Legislature that the Bridgerland Applied Technology Center and the Ogden-Weber Applied Technology Center projects as designed in fiscal year 1995 be considered as the highest priority projects for construction funding in fiscal year 1996.
- (22) It is the intent of the Legislature that:
- (a) the Division of Facilities Construction and Management complete physical space utilization standards by June 30, 1995, for the use of technology education activities;
 - (b) these standards are to be developed with and approved by the State Board of Education, the Board of Regents, and the Utah State Building Board;
 - (c) these physical standards be used as the basis for:
 - (i) determining utilization of any technology space based on number of stations capable and occupied for any given hour of operation; and
 - (ii) requests for any new space or remodeling;
 - (d) the fiscal year 1995 projects at the Bridgerland Applied Technology Center and the Ogden-Weber Applied Technology Center are exempt from this process; and
 - (e) the design of the Davis Applied Technology Center take into account the utilization formulas established by the Division of Facilities Construction and Management.
- (23) It is the intent of the Legislature that Utah Valley State College may use the money from the bond allocated to the remodel of the Signetics building to relocate its technical education programs at other designated sites or facilities under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.
- (24) It is the intent of the Legislature that the money provided for the fiscal year 1995 project for the Bridgerland Applied Technology Center be used to design and construct the space associated with Utah State University and design the technology center portion of the project.
- (25) It is the intent of the Legislature that the governor provide periodic reports on the expenditure of the funds provided for electronic technology, equipment, and hardware to the Public Utilities, Energy, and Technology Interim Committee, the Infrastructure and General Government Appropriations Subcommittee, and the Legislative Management Committee.

Amended by Chapter 13, 2016 General Session
Amended by Chapter 144, 2016 General Session