

1 **HIGHWAY FINANCING**

2 1999 GENERAL SESSION

3 STATE OF UTAH

4 **Sponsor: Marda Dillree**

5 AN ACT RELATING TO BONDING FOR HIGHWAY CONSTRUCTION AND REPAIR;  
6 AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS FOR  
7 HIGHWAYS AND RELATED FACILITIES; AUTHORIZING THE ISSUANCE AND SALE  
8 OF GENERAL OBLIGATION BOND ANTICIPATION NOTES FOR HIGHWAYS AND  
9 RELATED FACILITIES; SPECIFYING THE USE OF BOND AND NOTE PROCEEDS AND  
10 THE MANNER OF ISSUANCE; IMPOSING AND ABATING A PROPERTY TAX;  
11 CREATING SINKING FUNDS; MODIFYING DEBT LIMIT REQUIREMENTS;  
12 AUTHORIZING CERTAIN OTHER HIGHWAY EXPENDITURES; PROVIDING FOR  
13 RELATED MATTERS; AND MAKING TECHNICAL CORRECTIONS.

14 This act affects sections of Utah Code Annotated 1953 as follows:

15 AMENDS:

16 **63-38c-402**, as last amended by Chapter 270, Laws of Utah 1997

17 **63B-7-202**, as enacted by Chapter 316, Laws of Utah 1998

18 ENACTS:

19 **63B-8-201**, Utah Code Annotated 1953

20 **63B-8-202**, Utah Code Annotated 1953

21 **63B-8-203**, Utah Code Annotated 1953

22 **63B-8-204**, Utah Code Annotated 1953

23 **63B-8-205**, Utah Code Annotated 1953

24 **63B-8-206**, Utah Code Annotated 1953

25 **63B-8-207**, Utah Code Annotated 1953

26 **63B-8-208**, Utah Code Annotated 1953

27 **63B-8-209**, Utah Code Annotated 1953

- 28           **63B-8-210**, Utah Code Annotated 1953
- 29           **63B-8-211**, Utah Code Annotated 1953
- 30           **63B-8-212**, Utah Code Annotated 1953
- 31           **63B-8-213**, Utah Code Annotated 1953
- 32           **63B-8-214**, Utah Code Annotated 1953
- 33           **63B-8-215**, Utah Code Annotated 1953
- 34           **63B-8-216**, Utah Code Annotated 1953
- 35           **63B-8-217**, Utah Code Annotated 1953
- 36           **63B-8-301**, Utah Code Annotated 1953
- 37           **63B-8-302**, Utah Code Annotated 1953
- 38           **63B-8-303**, Utah Code Annotated 1953
- 39           **63B-8-304**, Utah Code Annotated 1953
- 40           **63B-8-503**, Utah Code Annotated 1953

41 *Be it enacted by the Legislature of the state of Utah:*

42           Section 1. Section **63-38c-402** is amended to read:

43           **63-38c-402. Debt limitation -- Vote requirement needed to exceed limitation --**

44 **Exceptions.**

45           (1) (a) Except as provided in Subsection (1)(b), the outstanding general obligation debt  
46 of the state may not exceed 20% of the maximum allowable appropriations limit unless approved  
47 by more than a two-thirds vote of both houses of the Legislature.

48           (b) Notwithstanding the limitation contained in Subsection (1)(a), debt issued under the  
49 authority of Title 63B, Chapter 6, Part 2, 1997 Highway General Obligation Bond Authorization  
50 [and], Title 63B, Chapter 6, Part 3, 1997 Highway Bond Anticipation [Notes] Note Authorization,  
51 Title 63B, Chapter 7, Part 2, 1998 Highway General Obligation Bond Authorization, Title 63B,  
52 Chapter 7, Part 3, 1998 Highway Bond Anticipation Note Authorization, Title 63B, Chapter 8, Part  
53 2, 1999 Highway General Obligation Bond Authorization, and Title 63B, Chapter 8, Part 3, 1999  
54 Highway Bond Anticipation Note Authorization, is not subject to the debt limitation established  
55 by this section.

56           (2) This section does not apply if contractual rights will be impaired.

57           Section 2. Section **63B-7-202** is amended to read:

58           **63B-7-202. Maximum amount -- Projects authorized.**

59 (1) ~~[(a)]~~ The total amount of bonds issued under this part may not exceed \$240,000,000.

60 ~~[(b) Bonds in an amount up to \$190,000,000 may be issued at a time the commission~~  
61 ~~determines as provided in this part.]~~

62 ~~[(c) In addition to the bonds issued under Subsection (1)(b), if Utah does not receive at~~  
63 ~~least \$50,000,000 in federal monies for projects funded from the Centennial Highway Fund before~~  
64 ~~March 1, 1999, up to \$50,000,000 in bonds may be issued to fund the difference between~~  
65 ~~\$50,000,000 and the amount, if any, actually received from the federal government for projects~~  
66 ~~funded from the Centennial Highway Fund.]~~

67 ~~[(d) The executive director of the Department of Transportation shall certify the amount~~  
68 ~~of monies actually received from the federal government.]~~

69 ~~[(e) That certificate may be conclusively relied upon by the commission in connection with~~  
70 ~~the issuance of the bonds.]~~

71 (2) (a) Proceeds from the issuance of bonds shall be provided to the Department of  
72 Transportation to provide funds to pay all or part of the costs of state highway construction or  
73 reconstruction projects.

74 (b) These costs may include the cost of acquiring land, interests in land, easements and  
75 rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient  
76 to the facilities, interest estimated to accrue on these bonds during the period to be covered by  
77 construction of the projects plus a period of six months after the end of the construction period,  
78 interest estimated to accrue on any bond anticipation notes issued under the authority of Chapter  
79 7, Part 3, Highway Bond Anticipation Note Authorization, and all related engineering,  
80 architectural, and legal fees.

81 (3) If, after completion of the projects authorized under Subsection (2)(a) and payment of  
82 the costs of issuing and selling the bonds under Section 63B-7-203, any bond proceeds remain  
83 unexpended, the Department of Transportation may use those unexpended proceeds to pay all or  
84 part of the costs of construction projects approved and prioritized by the Transportation  
85 Commission.

86 (4) The commission may, by resolution, make any statement of intent relating to a  
87 reimbursement that is necessary or desirable to comply with federal tax law.

88 (5) The Department of Transportation may enter into agreements related to that project  
89 before the receipt of proceeds of bonds issued under this chapter.

90 Section 3. Section **63B-8-201** is enacted to read:

91 **Part 2. 1999 Highway General Obligation Bond Authorization**

92 **63B-8-201. State Bonding Commission authorized to issue general obligation bonds.**

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

96 Section 4. Section **63B-8-202** is enacted to read:

97 **63B-8-202. Maximum amount -- Projects authorized.**

98 (1) The total amount of bonds issued under this part may not exceed \$68,000,000.

99 (2) (a) Proceeds from the issuance of bonds shall be provided to the Department of  
100 Transportation to provide funds to pay all or part of the costs of state highway construction or  
101 reconstruction projects.

102 (b) These costs may include the cost of acquiring land, interests in land, easements and  
103 rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient  
104 to the facilities, interest estimated to accrue on these bonds during the period to be covered by  
105 construction of the projects plus a period of six months after the end of the construction period,  
106 interest estimated to accrue on any bond anticipation notes issued under the authority of Chapter  
107 8, Part 3, Highway Bond Anticipation Note Authorization, and all related engineering,  
108 architectural, and legal fees.

109 (3) If, after completion of the projects authorized under Subsection (2)(a) and payment of  
110 the costs of issuing and selling the bonds under Section 63B-8-203, any bond proceeds remain  
111 unexpended, the Department of Transportation may use those unexpended proceeds to pay all or  
112 part of the costs of construction projects approved and prioritized by the Transportation  
113 Commission.

114 (4) The commission may, by resolution, make any statement of intent relating to a  
115 reimbursement that is necessary or desirable to comply with federal tax law.

116 (5) The Department of Transportation may enter into agreements related to that project  
117 before the receipt of proceeds of bonds issued under this chapter.

118 Section 5. Section **63B-8-203** is enacted to read:

119 **63B-8-203. Bond proceeds may be used to pay costs of issuance and sale.**

120 The proceeds of bonds issued under this chapter shall be used for the purposes described

121 in Section 63B-8-202 and to pay all or part of any cost incident to the issuance and sale of the  
122 bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees'  
123 fees, financial advisors' fees, liquidity providers' fees, credit enhancement providers' fees, and  
124 underwriters' discount.

125 Section 6. Section **63B-8-204** is enacted to read:

126 **63B-8-204. Manner of issuance -- Amounts, interest, and maturity.**

127 (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a  
128 manner determined by the commission by resolution.

129 (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest  
130 rates, including a variable rate, and maturity dates as the commission determines by resolution.

131 (3) A bond issued may not mature later than 15 years after the dated date of the bonds.

132 Section 7. Section **63B-8-205** is enacted to read:

133 **63B-8-205. Terms and conditions of sale -- Plan of financing -- Signatures --**  
134 **Replacement -- Registration -- Federal rebate.**

135 (1) In the issuance of bonds, the commission may determine by resolution:

136 (a) the manner of sale, including public or private sale;

137 (b) the terms and conditions of sale, including price, whether at, below, or above face  
138 value;

139 (c) denominations;

140 (d) form;

141 (e) manner of execution;

142 (f) manner of authentication;

143 (g) place and medium of purchase;

144 (h) redemption terms; and

145 (i) other provisions and details it considers appropriate.

146 (2) The commission may, by resolution, adopt a plan of financing, which may include  
147 terms and conditions of arrangements entered into by the commission on behalf of the state with  
148 financial and other institutions for letters of credit, standby letters of credit, reimbursement  
149 agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including  
150 payment from any legally available source of fees, charges, or other amounts coming due under  
151 the agreements entered into by the commission.

152 (3) (a) Any signature of a public official authorized by resolution of the commission to  
153 sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or  
154 otherwise placed on the bonds.

155 (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall  
156 be made for a manual authenticating signature on the bonds by or on behalf of a designated  
157 authentication agent.

158 (c) If an official ceases to hold office before delivery of the bonds signed by that official,  
159 the signature or facsimile signature of the official is nevertheless valid for all purposes.

160 (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed  
161 on the bonds.

162 (4) (a) The commission may enact resolutions providing for the replacement of lost,  
163 destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or  
164 larger denominations.

165 (b) Bonds in changed denominations shall:

166 (i) be exchanged for the original bonds in like aggregate principal amounts and in a  
167 manner that prevents the duplication of interest; and

168 (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable  
169 in the form of the original bonds.

170 (5) (a) Bonds may be registered as to both principal and interest or may be in a book entry  
171 form under which the right to principal and interest may be transferred only through a book entry.

172 (b) The commission may provide for the services and payment for the services of one or  
173 more financial institutions or other entities or persons, or nominees, within or outside the state, for  
174 the authentication, registration, transfer, including record, bookkeeping, or book entry functions,  
175 exchange, and payment of the bonds.

176 (c) The records of ownership, registration, transfer, and exchange of the bonds, and of  
177 persons to whom payment with respect to the obligations is made, are private records as provided  
178 in Section 63-2-302, or protected records as provided in Section 63-2-304.

179 (d) The bonds and any evidences of participation interest in the bonds may be issued,  
180 executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with  
181 Title 15, Chapter 8, Registered Public Obligations Act, or any other act of the Legislature relating  
182 to the registration of obligations enacted to meet the requirements of Section 149 of the Internal

183 Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

184 (6) The commission may:

185 (a) by resolution, provide for payment to the United States of whatever amounts are  
186 necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and

187 (b) enter into agreements with financial and other institutions and attorneys to provide for:

188 (i) the calculation, holding, and payment of those amounts; and

189 (ii) payment from any legally available source of fees, charges, or other amounts coming  
190 due under any agreements entered into by the commission.

191 Section 8. Section **63B-8-206** is enacted to read:

192 **63B-8-206. Constitutional debt limitation.**

193 (1) The commission may not issue bonds under this chapter in an amount that violates the  
194 limitation described in Utah Constitution Article XIV, Section 1.

195 (2) For purposes of applying the debt limitation contained in Utah Constitution Article  
196 XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair  
197 market value of the taxable property of the state, as computed from the last assessment for state  
198 purposes previous to the issuance of the bonds.

199 Section 9. Section **63B-8-207** is enacted to read:

200 **63B-8-207. Tax levy -- Abatement of tax.**

201 (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there  
202 is levied a direct annual tax on all real and personal property within the state subject to state  
203 taxation, sufficient to pay:

204 (a) applicable bond redemption premiums, if any;

205 (b) interest on the bonds as it becomes due; and

206 (c) principal of the bonds as it becomes due.

207 (2) (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.

208 (b) The tax shall be collected and the proceeds applied as provided in this chapter.

209 (3) The direct annual tax imposed under this section is abated to the extent money is  
210 available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond  
211 interest, principal, and redemption premiums.

212 Section 10. Section **63B-8-208** is enacted to read:

213 **63B-8-208. Creation of sinking fund.**

214 (1) There is created a sinking fund, to be administered by the state treasurer, entitled the  
215 "1999 Highway General Obligation Bonds Sinking Fund."

216 (2) All monies deposited in the sinking fund, from whatever source, shall be used to pay  
217 debt service on the bonds.

218 (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.

219 (4) The state treasurer may create separate accounts within the sinking fund for each series  
220 of bonds issued.

221 Section 11. Section **63B-8-209** is enacted to read:

222 **63B-8-209. Payment of interest, principal, and redemption premiums.**

223 (1) The Division of Finance shall draw warrants on the state treasury before any interest,  
224 principal, or redemption premiums become due on the bonds.

225 (2) After receipt of the warrants, the state treasurer shall:

226 (a) promptly pay the warrants from funds within the sinking fund; and

227 (b) immediately transmit the amount paid to the paying agent for the bonds.

228 Section 12. Section **63B-8-210** is enacted to read:

229 **63B-8-210. Investment of sinking fund money.**

230 (1) The state treasurer may, by following the procedures and requirements of Title 51,  
231 Chapter 7, State Money Management Act, invest any money contained in the sinking fund until  
232 it is needed for the purposes for which the fund is created.

233 (2) Unless otherwise provided in the resolution of the commission authorizing the issuance  
234 of bonds under this chapter, the treasurer shall retain all income from the investment of any money  
235 contained in the sinking fund in the sinking fund and use it for the payment of debt service on the  
236 bonds.

237 Section 13. Section **63B-8-211** is enacted to read:

238 **63B-8-211. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
239 **income and unexpended proceeds.**

240 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within  
241 one or more accounts as determined by resolution of the commission.

242 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
243 provided by the commission by resolution.

244 (c) The commission, by resolution, may provide for the deposit of these monies with a



245 trustee and the administration, disposition, or investment of these monies by this trustee.

246 (2) (a) The commission, by resolution, shall provide for the kinds of investments in which  
247 the proceeds of bonds issued under this chapter may be invested.

248 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
249 applied as provided by resolution of the commission.

250 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
251 completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise  
252 provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

253 Section 14. Section **63B-8-212** is enacted to read:

254 **63B-8-212. Refunding of bonds.**

255 (1) The commission may provide for the refunding of any of the bonds in accordance with  
256 Title 11, Chapter 27, Utah Refunding Bond Act.

257 (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state is considered  
258 the public body and the commission its governing body.

259 Section 15. Section **63B-8-213** is enacted to read:

260 **63B-8-213. Certification of satisfaction of conditions precedent -- Conclusiveness.**

261 (1) The commission may not issue any bond under this chapter until it finds and certifies  
262 that all conditions precedent to issuance of the bonds have been satisfied.

263 (2) A recital on any bond of this finding and certification conclusively establishes the  
264 completion and satisfaction of all such conditions.

265 Section 16. Section **63B-8-214** is enacted to read:

266 **63B-8-214. Tax exemption.**

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

269 Section 17. Section **63B-8-215** is enacted to read:

270 **63B-8-215. Legal investment status.**

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

274 Section 18. Section **63B-8-216** is enacted to read:

275 **63B-8-216. Publication of resolution or notice -- Limitation on actions to contest**

276 **legality.**

277 (1) The commission may:

278 (a) publish any resolution it adopts under this chapter once in a newspaper having general  
279 circulation in Utah; or

280 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled  
281 as such, containing the information required by Subsection 11-14-21(3).

282 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

283 (i) the legality of the resolution;

284 (ii) any of the bonds authorized under it; or

285 (iii) any of the provisions made for the security and repayment of the bonds.

286 (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds  
287 authorized under it, or any of the provisions made for the security and repayment of the bonds for  
288 any cause.

289 Section 19. Section **63B-8-217** is enacted to read:

290 **63B-8-217. Report to Legislature.**

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

293 Section 20. Section **63B-8-301** is enacted to read:

294 **Part 3. 1999 Highway Bond Anticipation Note Authorization**

295 **63B-8-301. Definitions.**

296 As used in this part:

297 (1) "Bond anticipation note" means a note issued in anticipation of the receipt of the  
298 proceeds of the sale of the bonds authorized under Part 2 of this chapter.

299 (2) "Flexible note" means a bond anticipation note whose interest is payable at maturity,  
300 and may be payable on one or more dates before maturity.

301 (3) (a) "Short-term series note" means a bond anticipation note that is one of a series of  
302 notes issued pursuant to a financing program under which it is expected that:

303 (i) each note will be paid from the proceeds of one or more renewal notes of that series;  
304 and

305 (ii) the final note or notes of the series will be paid from:

306 (A) the proceeds of bonds in anticipation of the receipt of which the note or notes were

307 issued; or

308 (B) monies of the state on hand and legally available for that purpose.

309 (b) "Short-term series note" includes any note issued pursuant to a revolving credit  
310 agreement or other similar liquidity facility for the purpose of renewing or paying outstanding  
311 short-term series notes on their stated maturity dates when those short-term series notes are not  
312 renewed or paid from the proceeds of one or more other renewal notes of the series.

313 Section 21. Section **63B-8-302** is enacted to read:

314 **63B-8-302. Authorization, terms, and procedures.**

315 (1) The state treasurer may, by written order, issue bond anticipation notes and renewals  
316 of bond anticipation notes, including flexible notes and short-term series notes, in the form and  
317 with the terms that he determines.

318 (2) The state treasurer may:

319 (a) enter into whatever agreements with other persons that he considers necessary or  
320 appropriate in connection with the issuance, sale, and resale of the notes; and

321 (b) resell or retire any notes purchased by the state before the stated maturity of those  
322 notes.

323 (3) (a) The notes and renewals of the notes shall:

324 (i) bear the interest rate or rates as determined by the state treasurer; and

325 (ii) mature within a period not to exceed three years.

326 (b) The notes and renewals of notes may:

327 (i) bear a variable interest rate; and

328 (ii) be redeemed prior to maturity by the state treasurer, but only in accordance with the  
329 provisions of the notes relating to redemption prior to maturity.

330 (4) The proceeds from the sale of the notes may be used only for:

331 (a) the purposes established in Section 63B-8-202;

332 (b) the payment of principal of and, if not otherwise provided, interest on, bond  
333 anticipation notes;

334 (c) the payment of costs of issuance, credit enhancement, and liquidity support; or

335 (d) any combination of Subsections (4)(a), (b), and (c).

336 (5) (a) All of the notes and any renewals of the notes shall be payable from the proceeds  
337 of the sale of bonds.

338 (b) A renewal of any note may not be issued after the sale of bonds in anticipation of  
339 which the original note was issued.

340 (6) If a sale of the bonds has not occurred before the maturity of the notes issued in  
341 anticipation of the sale, the state treasurer shall, in order to meet the notes then maturing:

342 (a) issue renewal notes for that purpose;

343 (b) pay the notes from state monies legally available for paying those notes; or

344 (c) any combination of Subsections (6)(a) and (b).

345 (7) Each note and any renewal of any note, with the interest on the note or renewal,  
346 constitute general obligations of the state.

347 (8) Each note and any renewal of any note, with the interest on the note or renewal, shall  
348 be:

349 (a) secured by the full faith, credit, and resources of the state in the manner provided in  
350 Part 2 of this chapter;

351 (b) payable from:

352 (i) the proceeds of the sale of the bonds and not from any other borrowing; and

353 (ii) monies of the state on hand and legally available for that purpose; or

354 (iii) any combination of Subsections (8)(b)(i) and (ii); and

355 (c) payable within five years from the date of original issue.

356 (9) The total amount of notes or renewals of notes issued and outstanding at any one time  
357 may not exceed the total amount of bonds authorized to be issued but not yet issued.

358 (10) The state treasurer shall, in his annual report to the governor, include a detailed  
359 statement of all notes and bonds issued during the year and of his actions in relation to them.

360 Section 22. Section **63B-8-303** is enacted to read:

361 **63B-8-303. Purchase and redemption requirements.**

362 (1) The notes and renewals of notes may provide the holders of the notes or renewals of  
363 notes with the right to require the state or other persons to purchase or redeem the notes or renewal  
364 notes before the stated maturity of the notes or renewals.

365 (2) Notwithstanding Subsection (1), the holders of the notes and renewals of notes may  
366 not be provided with the right to require the state to repurchase or redeem the notes and renewals  
367 of the notes before their stated maturity unless the state has entered into one or more letter of credit  
368 agreements or other liquidity facility agreements:

369 (a) for the express purpose of those repurchases or redemptions;

370 (b) that require a financially responsible party or parties to the agreement or agreements,  
371 other than the state, to purchase or redeem all or any portion of the notes and renewals of notes  
372 tendered by the holders of the notes or renewals of notes for repurchase or redemption before the  
373 stated maturity of the notes and renewals of notes; and

374 (c) that continue until the right of the holders of the notes and renewals of notes to require  
375 repurchase or redemption of the notes and renewals of notes before the stated maturity has ceased.

376 Section 23. Section **63B-8-304** is enacted to read:

377 **63B-8-304. General provisions -- Funds and accounts.**

378 (1) (a) Sections 63B-8-205, 63B-8-206, 63B-8-213, 63B-8-214, 63B-8-215, and  
379 63B-8-216 apply to any notes or renewals of notes issued under this part.

380 (b) (i) For purposes of this part, any action that those sections require or permit the  
381 commission to take shall be considered sufficient if taken by the state treasurer.

382 (ii) The treasurer may take action by issuing a written order, or in some other manner that  
383 he finds necessary or convenient, to accomplish the purposes of this part.

384 (2) The treasurer may:

385 (a) in a written order, establish whatever funds and accounts are necessary or desirable to  
386 carry out the purposes of this part; and

387 (b) until the monies are needed for the purpose for which the fund or account was created,  
388 invest the monies held in those funds and accounts by following the procedures and requirements  
389 of Title 51, Chapter 7, State Money Management Act.

390 Section 24. Section **63B-8-503** is enacted to read:

391 **63B-8-503. Highway intent language.**

392 (1) It is the intent of the Legislature that the state treasurer structure the financing so that:

393 (a) the debt service is minimized; and

394 (b) the debt may be paid off before July 1, 2007.

395 (2) It is the intent of the Legislature that:

396 (a) \$26,000,000 of the bond proceeds issued under this chapter be expended for the  
397 construction of the I-15 interchange project at 11400 South in Salt Lake County;

398 (b) the \$44,000,000 allocated as a Centennial Highway Fund project for the extension of  
399 20th East in Salt Lake County be reduced by \$26,000,000;

400           (c) the Department of Transportation begin construction on the 11400 South project in  
401 fiscal year 1999-2000 instead of fiscal year 2007-2008 if the affected local entities provide for the  
402 payment of interest and issuance costs due on the notes or bonds in a manner satisfactory to the  
403 state treasurer and the executive director of the Department of Transportation; and  
404           (d) the 20th East funding schedule as contemplated in the Centennial Highway program  
405 as of March 3, 1999 is applied in calculating the interest and issuance costs due under this  
406 subsection.

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**Legislative Review Note**  
**as of 2-25-99 7:52 PM**

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

**Office of Legislative Research and General Counsel**