

2002 HIGHWAY GENERAL OBLIGATION

BOND AMENDMENTS

2003 GENERAL SESSION

STATE OF UTAH

Sponsor: Wayne A. Harper

This act modifies provisions governing 2002 Highway General Obligation Bonds for Salt Lake County by eliminating certain projects and by eliminating the requirement that projects be funded in a strict priority order.

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

AMENDS:

63B-11-501, as enacted by Chapter 266, Laws of Utah 2002

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

Section 1. Section **63B-11-501** is amended to read:

63B-11-501. State Bonding Commission authorized to issue general obligation bonds.

~~[After the interlocal agreement specified in Subsection 72-2-121(2)(b) is rescinded, cancelled, or expires, and upon]~~ Upon receipt of a ~~[formal]~~ written opinion from the Utah Attorney General that Salt Lake County has entered a binding legal agreement with the state in which Salt Lake County agrees, ~~[for a minimum of ten years]~~ until all of the principal, interest, and issuance costs on the bonds have been paid, to annually transfer enough of the 1/4 of 1/4% of sales tax proceeds earmarked by Section 59-12-502 to the sinking fund created in Section 63B-11-508 to pay the principal, interest, and issuance costs for any general obligation bonds issued to provide funds for any of the Salt Lake County transportation projects identified in Section 63B-11-502, 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.

Section 2. Section **63B-11-502** is amended to read:

63B-11-502. Maximum amount -- Projects authorized.

(1) The total amount of bonds issued under this part may not exceed ~~[\$50,000,000]~~ \$78,500,000.

(2) (a) (i) Proceeds from the issuance of bonds shall be provided to the Department of Transportation to provide funds to pay all or part of the costs of accelerating any of the following state highway construction or reconstruction projects in Salt Lake County ~~[in the following order, unless extraordinary circumstances jointly agreed upon by the Department of Transportation and Salt Lake County require a different order]:~~

~~[(i)]~~ (A) I-15: 10600 South to the Utah County line;

~~[(ii)]~~ ~~I-15: Beck Street Overpass;~~

~~[(iii)]~~ (B) Final Environmental Impact Statement for Western Transportation Corridor: I-80 to Utah County;

~~[(iv)]~~ ~~Redwood Road: 6200 South to I-215;~~

~~[(v)]~~ (C) I-215: ~~[Jordan River to SR-201;]~~ Redwood Road to 4700 South;

~~[(vi)]~~ ~~Redwood Road: 12600 South to Bangerter Highway;~~

~~[(vii)]~~ (D) State Street Reconstruction: ~~[6400]~~ 9000 South to 10600 South; and

~~[(viii)]~~ ~~acquisition of rights-of-way for the Western Transportation Corridor;~~

~~[(ix)]~~ ~~11400 South: I-15 to Redwood Road; and]~~

~~[(x)]~~ ~~5600 West Reconstruction: 4500 South to 6200 South.]~~

(E) except as provided in Subsection (2)(d), State Street Reconstruction: 7800 South to 8000 South.

(ii) If the Department of Transportation is unable to begin or complete a project authorized by this Subsection (2)(a) because of a court order, the Department of Transportation, with the approval of Salt Lake County, may expend bond proceeds to construct one or more projects identified in Subsection (2)(e).

(b) When the Utah Transit Authority certifies to the Transportation Commission that the Utah Transit Authority will pay half the costs of reconstruction of the Utah Transit Authority railroad overpass on 8000 South State Street, the Department of Transportation may provide

funds from bond proceeds to pay the other half of the costs of reconstruction of the Utah Transit Authority railroad overpass on 8000 South.

(c) As used in Subsections (2)(a) and (b), "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, interest estimated to accrue on any bond anticipation notes issued under the authority of Chapter 11, Part 6, 2002 Highway General Obligation Bond Anticipation [~~Note~~] Notes for Salt Lake County [~~Authorization~~], and all related engineering, architectural, and legal fees.

(d) Bond proceeds may not be expended on the State Street Reconstruction: 7800 to 8000 South project until the Transportation Commission has received the certification required by Subsection (2)(b) from the Utah Transit Authority.

(e) As the following projects or future projects identified by Salt Lake County and the Legislature are prepared and ready for construction by the Department of Transportation, it is the intent of the Legislature that they will be accelerated and funded from future general obligation bonds issued in anticipation of receiving debt service funds from Salt Lake County's 1/4 of 1/4% sales tax proceeds earmarked by Section 59-12-502 and from other funding sources available to the Department of Transportation, including monies available from the Centennial Highway Fund and the Statewide Transportation Improvement Plan: 5600 West Reconstruction: 4500 South to 7000 South; Redwood Road: 12600 South to Bangerter Highway; I-15: Beck Street Overpass; I-215: 4700 South to SR-201; acquisition of rights-of-way for the Western Transportation Corridor; 11400 South: I-15 to Redwood Road; and State Street Reconstruction 6400 South to 7800 South and 8000 South to 9000 South.

(3) If any portion of the proceeds of the tax paid to the state are not required to pay principal, interest, and issuance costs of the bonds and the principal, interest, and issuance costs of the bond have been paid off, or 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-11-503, 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 in Salt Lake County that have been approved and prioritized by the Transportation Commission.

(4) The commission [~~may~~], by resolution, or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.

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