

1                   **GENERAL OBLIGATIONS BONDS AUTHORIZATIONS**

2                                   2011 GENERAL SESSION

3                                   STATE OF UTAH

4                                   **Chief Sponsor: Gage Froerer**

5                                   Senate Sponsor: J. Stuart Adams

---

---

7 **LONG TITLE**

8 **General Description:**

9           This bill authorizes the issuance of general obligation bonds for certain capital  
10 facilities.

11 **Highlighted Provisions:**

12           This bill:

- 13           ▶ modifies the Bonding Code by authorizing the issuance and sale of general
- 14 obligations bonds by the State Bonding Commission for capital facilities;
- 15           ▶ specifies the use of the general obligations bond proceeds and the manner of
- 16 issuance; and
- 17           ▶ provides expressions of legislative intent.

18 **Money Appropriated in this Bill:**

19           None

20 **Other Special Clauses:**

21           This bill provides an immediate effective date.

22 **Utah Code Sections Affected:**

23 ENACTS:

24           **63B-20-101**, Utah Code Annotated 1953

---

---

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

27           Section 1. Section **63B-20-101** is enacted to read:



CHAPTER 20. 2011 FINANCING AUTHORIZATIONS

Part 1. 2011 General Obligation Bond Authorizations

63B-20-101. Capital Facilities bonds -- Maximum amount -- Projects authorized.

(1) The total amount of bonds issued under this section may not exceed \$88,516,000 for acquisition and construction proceeds, plus additional amounts necessary to pay costs of issuance, to pay capitalized interest, and to fund any debt service reserve requirements, with the total amount of the bonds not to exceed \$89,401,200.

(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 DEVELOPMENT PROJECTS

<u>Project Description</u>	<u>Estimated Operations and Maintenance</u>	<u>Amount Funded</u>
<u>Utah State Hospital Building Consolidation</u>		
<u>Department of Human Services</u>	<u>\$14,500</u>	<u>\$25,000,000</u>
<u>Professional Programs Classroom Building</u>		
<u>Weber State University</u>	<u>\$725,000</u>	<u>\$31,535,000</u>
<u>Tooele County Campus</u>		
<u>Tooele Applied Technology College</u>	<u>\$569,000</u>	<u>\$9,981,000</u>
<u>Business Building Addition/Remodel</u>		
<u>Utah State University</u>	<u>\$797,000</u>	<u>\$14,000,000</u>
<u>State Warehouse Remodel</u>		

59	<u>State Archives and Davis Applied</u>		
60	<u>Technology College</u>	<u>\$80,000</u>	<u>\$5,000,000</u>
61	<u>Herriman Land Purchase</u>		
62	<u>Salt Lake Community College</u>	<u>\$0</u>	<u>\$3,000,000</u>
63	<u>TOTAL CAPITAL DEVELOPMENT PROJECTS</u>		<u>\$88,516,000</u>
64	-----		
65	<u>ADDITIONAL AUTHORIZED AMOUNTS</u>		<u>\$885,200</u>
66	<u>TOTAL GENERAL OBLIGATION BOND AUTHORIZATION</u>		
67	<u>FOR CAPITAL DEVELOPMENT PROJECTS</u>		<u>\$89,401,200</u>
68	-----		

- 69 (d) For purposes of this section, operations and maintenance costs:
- 70 (i) are estimates only;
- 71 (ii) may include any operations and maintenance costs already funded in existing
- 72 agency budgets; and
- 73 (iii) are not commitments by this Legislature or future Legislatures to fund those
- 74 operations and maintenance costs.
- 75 (e) Notwithstanding prohibitions on using state funds for operations and maintenance
- 76 costs for that portion of the professional programs classroom building for Weber State
- 77 University, that project shall be authorized to receive operations and maintenance costs as
- 78 specifically provided in this section.
- 79 (3) (a) The amounts funded as listed in Subsection (2) are estimates only and do not
- 80 constitute a limitation on the amount that may be expended for any project.
- 81 (b) The board may revise these estimates and redistribute the amount estimated for a
- 82 project among the projects authorized.
- 83 (c) The commission, by resolution and in consultation with the board, may delete one
- 84 or more projects from this list if the inclusion of that project or those projects in the list could
- 85 be construed to violate state law or federal law or regulation.
- 86 (4) (a) The division may enter into agreements related to these projects before the
- 87 receipt of proceeds of bonds issued under this chapter.
- 88 (b) The division shall make those expenditures from unexpended and unencumbered
- 89 building funds already appropriated to the Capital Projects Fund.

90           (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds  
91 of bonds issued under this chapter.

92           (d) The state intends to use proceeds of tax-exempt bonds to reimburse itself for  
93 expenditures for costs of the projects listed in Subsection (2)(c).

94           (5) It is the intent of the Legislature that the funding authorized for projects in  
95 Subsection (2) does not include funds for public art.

96           Section 2. **Effective date.**

97           If approved by two-thirds of all the members elected to each house, this bill takes effect  
98 upon approval by the governor, or the day following the constitutional time limit of Utah  
99 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,  
100 the date of veto override.

---

---

**Legislative Review Note**  
as of 3-10-11 5:49 PM

**Office of Legislative Research and General Counsel**