

1 **REVENUE BOND AND CAPITAL FACILITIES**

2 **AMENDMENTS**

3 2014 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Gage Froerer**

6 Senate Sponsor: Wayne A. Harper

7

8 **LONG TITLE**

9 **General Description:**

10 This bill authorizes certain state agencies and institutions to issue revenue bonds and
11 authorizes the construction or renovation of capital facilities using agency, institutional,
12 or donated funds.

13 **Highlighted Provisions:**

14 This bill:

- 15 ▶ increases the planning, design, and construction or renovation authorizations and
16 maximum square footage of the following, provided that only agency, institutional,
17 or donated funds are used:
- 18 • for a Science and Technology Building at Utah State University Tooele,
19 increases the authorization by \$1,800,000; and
 - 20 • for a Drivers License Building in Price, increases the authorization by \$228,000;
- 21 ▶ authorizes the State Board of Regents to issue revenue bonds for the following:
- 22 • \$45,238,000 for constructing the Lasonde Living Center at the University of
23 Utah; and
 - 24 • \$29,400,000 for the replacement of utility distribution infrastructure at the
25 University of Utah;
- 26 ▶ provides a prohibition on state funding for operations and maintenance and capital
27 improvement costs for the Science and Technology Building at Utah State



28 University Tooele; and

29 ▶ authorizes the planning, design, and construction or renovation of the following,
30 provided that only agency, institutional, or donated funds are used:

31 • for an expansion and renovation of the Alumni House at the University of Utah
32 at a cost of \$10,000,000, and prohibits the use of state funds for operation and
33 maintenance and capital improvement costs of the building;

34 • for a Technology Trades Building for the Mountain Land Applied Technology
35 College at the Lehi campus at a cost of \$10,683,000, and prohibits the use of
36 state funds for operation and maintenance and capital improvement costs of the
37 building;

38 • for a Communications and Driver License Building at the Department of Public
39 Safety in Vernal at a cost of up to \$875,000, and prohibits the use of state funds
40 for operation and maintenance and capital improvement costs of the building;
41 and

42 • for an Agriculture Laboratory Building at the Department of Agriculture in
43 Nephi at a cost of up to \$744,800, and prohibits the use of state funds for
44 operation and maintenance and capital improvement costs of the building.

45 **Money Appropriated in this Bill:**

46 None

47 **Other Special Clauses:**

48 None

49 **Utah Code Sections Affected:**

50 AMENDS:

51 **63B-22-201**, as enacted by Laws of Utah 2013, Chapter 409

52 ENACTS:

53 **63B-23-101**, Utah Code Annotated 1953

54 **63B-23-201**, Utah Code Annotated 1953



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

57 Section 1. Section **63B-22-201** is amended to read:

58 **63B-22-201. Authorizations to design and construct capital facilities using**

59 **institutional or agency funds.**

60 (1) The Legislature intends that:

61 (a) Southern Utah University may, subject to requirements in Title 63A, Chapter 5,
62 State Building Board - Division of Facilities Construction and Management, use up to
63 \$30,000,000 in donations and institutional funds to plan, design, and construct a Center for the
64 Arts with up to 80,490 square feet;

65 (b) no state funds be used for any portion of this project; and

66 (c) the university may not request state funds for operation and maintenance costs or
67 capital improvements.

68 (2) The Legislature intends that:

69 (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5, State
70 Building Board - Division of Facilities Construction and Management, use up to \$11,040,000
71 in donations and institutional funds to plan, design, and construct a Renovation and Addition of
72 Phase II of the Kennecott Building with up to 40,700 new square feet;

73 (b) no state funds be used for any portion of this project; and

74 (c) the university may use state funds for operation and maintenance costs or capital
75 improvements.

76 (3) The Legislature intends that:

77 (a) Utah State University may, subject to requirements in Title 63A, Chapter 5, State
78 Building Board - Division of Facilities Construction and Management, use up to [~~\$8,000,000~~]
79 \$9,800,000 in donations and institutional funds to plan, design, and construct a Science and
80 Technology Building at Utah State University Tooele with up to [~~26,000~~] 33,000 square feet;

81 (b) no state funds be used for any portion of this project; and

82 (c) the university may use state funds for operation and maintenance costs or capital
83 improvements.

84 (4) The Legislature intends that:

85 (a) the Department of Public Safety may, subject to requirements in Title 63A, Chapter
86 5, State Building Board - Division of Facilities Construction and Management, use up to
87 [~~\$1,277,000~~] \$1,505,000 in nonlapsing balances to plan, design, and construct a Drivers
88 License Building in Price with up to [~~7,000~~] 7,500 square feet;

89 (b) no state funds be used for any portion of this project; and

90 (c) the department may use state funds for operation and maintenance costs or capital
91 improvements.

92 Section 2. Section **63B-23-101** is enacted to read:

93 **CHAPTER 23. 2014 BONDING AND FINANCING AUTHORIZATIONS**

94 **Part 1. 2014 Revenue Bond Authorizations**

95 **63B-23-101. Revenue bond authorizations -- Board of Regents.**

96 (1) The Legislature intends that:

97 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
98 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
99 money on the credit, revenues, and reserves of the university, other than appropriations of the
100 Legislature, to finance the cost of constructing the Lassonde Living Center;

101 (b) the University of Utah use student fees and rents as the primary revenue sources for
102 repayment of any obligation created under authority of this Subsection (1);

103 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
104 this Subsection (1) is \$45,238,000, together with other amounts necessary to pay costs of
105 issuance, pay capitalized interest, and fund any debt service reserve requirements;

106 (d) the university shall plan, design, and construct the Lassonde Living Center subject
107 to the requirements of Title 63A, Chapter 5, State Building Board - Division of Facilities
108 Construction and Management; and

109 (e) the university may not request state funds for operation and maintenance costs or
110 capital improvements.

111 (2) The Legislature intends that:

112 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
113 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
114 money on the credit, revenues, and reserves of the university, other than appropriations of the
115 Legislature, to finance the cost of replacing the University of Utah's utility distribution
116 infrastructure;

117 (b) the University of Utah use a power bill surcharge as the primary revenue source for
118 the repayment of any obligation created under authority of this Subsection (2);

119 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
120 this Subsection (2) is \$29,400,000 together with other amounts necessary to pay costs of

121 issuance, pay capitalized interest, and fund any debt service reserve requirements;

122 (d) the revenue bonds or evidences of indebtedness authorized by this Subsection (2)
123 may not mature later than 15 years after the date of issuance; and

124 (e) the university shall plan, design, and construct the University of Utah's replacement
125 utility distribution infrastructure subject to the requirements of Title 63A, Chapter 5, State
126 Building Board - Division of Facilities Construction and Management.

127 Section 3. Section **63B-23-201** is enacted to read:

128 **Part 2. 2014 Capital Facility Design and Construction Authorizations**

129 **63B-23-201. Authorizations to design and construct capital facilities using**
130 **institutional or agency funds.**

131 (1) The Legislature intends that:

132 (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5, State
133 Building Board - Division of Facilities Construction and Management, use up to \$10,000,000
134 in donations and institutional funds to plan, design, and construct an expansion and renovation
135 of the Alumni House at the University of Utah with up to an additional 17,000 new square feet;

136 (b) the university may not use state funds for any portion of this project; and

137 (c) the university may not use state funds for operation and maintenance costs or
138 capital improvements.

139 (2) The Legislature intends that:

140 (a) the Mountain Land Applied Technology College may, subject to requirements in
141 Title 63A, Chapter 5, State Building Board - Division of Facilities Construction and
142 Management, use up to \$10,683,000 in donations and institutional funds to plan, design, and
143 construct a Technology Trades Building for the Mountain Land Applied Technology College at
144 the Lehi Campus with up to 40,500 square feet;

145 (b) the college may not use state funds for any portion of this project; and

146 (c) the college may not use state funds for operation and maintenance costs or capital
147 improvements.

148 (3) The Legislature intends that:

149 (a) the Department of Public Safety may, subject to requirements in Title 63A, Chapter
150 5, State Building Board - Division of Facilities Construction and Management, use up to
151 \$875,000 in nonlapsing balances to plan, design, and construct a Drivers License Building in

152 Vernal with up to 3,500 square feet;

153 (b) the department may not use state funds for any portion of this project; and

154 (c) the department may not use state funds for operation and maintenance costs or
155 capital improvements.

156 (4) The Legislature intends that:

157 (a) the Department of Agriculture may, subject to requirements in Title 63A, Chapter
158 5, State Building Board - Division of Facilities Construction and Management, use up to
159 \$744,800 in agency funds to plan, design, and construct an Agriculture Laboratory Building in

160 Nephi with up to 3,500 square feet;

161 (b) the department may not use state funds for any portion of this project; and

162 (c) the department may not use state funds for operation and maintenance costs or
163 capital improvements.

Legislative Review Note
as of 3-7-14 10:49 AM

Office of Legislative Research and General Counsel