

Senator Kevin T. Van Tassell proposes the following substitute bill:

UTAH ENERGY INFRASTRUCTURE AUTHORITY ACT

AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Roger E. Barrus

Senate Sponsor: Kevin T. Van Tassell

LONG TITLE

General Description:

This bill addresses bonding authority under the Utah Energy Infrastructure Authority Act.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ addresses the purposes for which a bond may be issued under the Utah Energy Infrastructure Authority Act; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

63H-2-102, as last amended by Laws of Utah 2012, Chapter 37

63H-2-401, as last amended by Laws of Utah 2012, Chapter 37



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

Section 1. Section **63H-2-102** is amended to read:

63H-2-102. Definitions.

As used in this chapter:

(1) "Agency" is as defined in Section [17C-1-102](#).

(2) "Assessment area" is as defined in Section [11-42-102](#).

(3) "Assessment bonds" is as defined in Section [11-42-102](#).

~~(4)~~ (4) "Authority" means the Utah Energy Infrastructure Authority created in Section [63H-2-201](#).

~~(2)~~ (5) "Authority bond" means a bond issued by the authority in accordance with Part 4, Bonding.

~~(3)~~ (6) "Board" means the board created under Section [63H-2-202](#).

~~(4)~~ (7) "Community" means the county, city, or town in which is located a qualifying energy delivery project financed by an authority bond.

~~(5)~~ (8) "Electric interlocal entity" has the same meaning as defined in Section [11-13-103](#).

~~(6)~~ (9) "Energy advisor" means the governor's energy advisor appointed under Section [63M-4-201](#).

~~(7)~~ (10) "Energy delivery project" means a project that is designed to:

(a) increase the capacity for the delivery of energy to a user of energy inside or outside the state; or

(b) increase the capability of an existing energy delivery system or related facility to deliver energy to a user of energy inside or outside the state.

~~(8)~~ (11) "Independent state agency" is as defined in Section [63E-1-102](#).

(12) "Project area" is as defined in Section [17C-1-102](#).

~~(9)~~ (13) "Public entity" means:

(a) the United States or an agency of the United States;

(b) the state or an agency of the state;

(c) a political subdivision of the state or an agency of a political subdivision of the state;

57 (d) another state or an agency of that state; or
 58 (e) a political subdivision of another state or an agency of that political subdivision.
 59 ~~[(10)]~~ (14) "Qualifying energy delivery project" means a project approved by the board
 60 in accordance with Part 3, Qualifying Energy Delivery Projects.

61 ~~[(11)]~~ (15) "Record" means information that is:

- 62 (a) inscribed on a tangible medium; or
- 63 (b) (i) stored in an electronic or other medium; and
- 64 (ii) retrievable in perceivable form.

65 (16) "Tax increment bond" is as defined in Section [11-27-2](#).

66 Section 2. Section **63H-2-401** is amended to read:

67 **63H-2-401. Resolution authorizing issuance of authority bond -- Characteristics**
 68 **of bond.**

69 (1) (a) ~~[The]~~ Subject to the other requirements of this part, the authority may issue a
 70 bond ~~[subject to the requirements of this part to]:~~

71 (i) if the authority obtains the consent of the agency or municipality in which the
 72 assessment area or project area is located, to finance, in whole or in part, a qualifying energy
 73 delivery project[-]; or

74 (ii) to:

75 (A) finance the purchase of one or more assessment bonds or tax increment bonds
 76 issued by a municipality or agency to facilitate an energy delivery project in a specific
 77 assessment area or project area; and

78 (B) administer an assessment area or project area that generates revenue to pay the debt
 79 service on an assessment bond or a tax increment bond described in Subsection (1)(a)(ii)(A).

80 (b) The authority may not issue a bond under this part unless before the issuance of the
 81 bond, the board adopts a resolution authorizing the issuance of the bond.

82 (2) (a) If provided in a resolution authorizing the issuance of an authority bond or in
 83 the trust indenture under which the authority bond is issued, an authority bond may be:

84 (i) issued in one or more series; and

85 (ii) sold:

86 (A) at a public or private sale; and

87 (B) in the manner provided in the resolution or indenture.

- 88 (b) An authority bond shall:
- 89 (i) bear the date provided in the resolution authorizing the issuance of the authority
- 90 bond or the trust indenture under which the authority bond is issued;
- 91 (ii) be payable at the time provided in the resolution authorizing the issuance of the
- 92 authority bond or the trust indenture under which the authority bond is issued;
- 93 (iii) bear interest at the rate provided in the resolution authorizing the issuance of the
- 94 authority bond or the trust indenture under which the authority bond is issued;
- 95 (iv) be in the denomination and in the form provided in the resolution authorizing the
- 96 issuance of the authority bond or the trust indenture under which the authority bond is issued;
- 97 (v) carry the conversion or registration privileges provided in the resolution authorizing
- 98 the issuance of the authority bond or the trust indenture under which the authority bond is
- 99 issued;
- 100 (vi) have the rank or priority as provided in the resolution authorizing the issuance of
- 101 the authority bond or the trust indenture under which the authority bond is issued;
- 102 (vii) be executed in the manner as provided in the resolution authorizing the issuance
- 103 of the authority bond or the trust indenture under which the authority bond is issued;
- 104 (viii) be subject to the terms of redemption or tender, with or without premium, as
- 105 provided in the resolution authorizing the issuance of the authority bond or the trust indenture
- 106 under which the authority bond is issued;
- 107 (ix) be payable in the medium of payment and at the place as provided in the resolution
- 108 authorizing the issuance of the authority bond or the trust indenture under which the authority
- 109 bond is issued; and
- 110 (x) have other characteristics as provided in the resolution authorizing the issuance of
- 111 the authority bond or the trust indenture under which the authority bond is issued.