

1                                   **REVENUE BONDS AND CAPITAL FACILITIES**

2   **AUTHORIZATIONS**

3   2018 GENERAL SESSION

4   STATE OF UTAH

5   **Chief Sponsor: Gage Froerer**

6   Senate Sponsor: Wayne A. Harper

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8                   **LONG TITLE**

9                   **General Description:**

10                   This bill authorizes certain state agencies and institutions to issue revenue bonds and  
11 authorizes the construction of certain capital facilities.

12                   **Highlighted Provisions:**

13                   This bill:

- 14                   ▶ authorizes the State Building Ownership Authority to issue revenue bonds as  
15 follows:
- 16                   • up to \$5,451,800 for constructing a Pleasant Grove or Lehi market area liquor  
17 store; and
  - 18                   • up to \$8,659,000 for reconstructing the Store 4: Foothill liquor store;
- 19                   ▶ authorizes the Board of Regents to issue revenue bonds as follows:
- 20                   • up to \$105,217,000 for constructing a south campus student housing and dining  
21 project at the University of Utah;
  - 22                   • up to \$31,400,000 for constructing the Space Dynamics Laboratory Phase II at  
23 Utah State University; and
  - 24                   • up to \$13,000,000 for constructing a student center on the Jordan Campus at  
25 Salt Lake Community College; and
- 26                   ▶ authorizes Weber State University to use up to \$17,604,700 of agency, institutional,  
27 or donated funds to plan, design, and construct the Davis Campus Computer and



28 Automotive Engineering Building and authorizes the use of state funds for operation and  
29 maintenance costs and capital improvements of the building.

30 **Money Appropriated in this Bill:**

31 None

32 **Other Special Clauses:**

33 This bill provides a special effective date.

34 **Utah Code Sections Affected:**

35 ENACTS:

36 **63B-28-101**, Utah Code Annotated 1953

37 **63B-28-102**, Utah Code Annotated 1953

38 **63B-28-201**, Utah Code Annotated 1953



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

41 Section 1. Section **63B-28-101** is enacted to read:

42 **CHAPTER 28. BONDING AND FINANCING AUTHORIZATIONS**

43 **Part 1. Revenue Bond Authorizations**

44 **63B-28-101. Revenue bond authorizations -- State Building Ownership Authority.**

45 (1) The Legislature intends that:

46 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter  
47 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may  
48 enter into or arrange for a lease-purchase agreement in which participation interests may be  
49 created, to provide up to \$5,451,800 for a Pleasant Grove or Lehi market area liquor store,  
50 together with additional amounts necessary to pay costs of issuance, pay capitalized interest,  
51 and fund any existing debt service reserve requirements;

52 (b) the Department of Alcoholic Beverage Control use sales revenues as the primary  
53 revenue source for repayment of any obligation created under authority of this Subsection (1);  
54 and

55 (c) the Department of Alcoholic Beverage Control may request operation and  
56 maintenance funding from sales revenues.

57 (2) The Legislature intends that:

58 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter

59 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may  
60 enter into or arrange for a lease-purchase agreement in which participation interests may be  
61 created, to provide up to \$8,659,000 for reconstructing the Store 4: Foothill liquor store,  
62 together with additional amounts necessary to pay costs of issuance, pay capitalized interest,  
63 and fund any existing debt service reserve requirements;

64 (b) the Department of Alcoholic Beverage Control use sales revenues as the primary  
65 revenue source for repayment of any obligation created under authority of this Subsection (2);  
66 and

67 (c) the Department of Alcoholic Beverage Control may request operation and  
68 maintenance funding from sales revenues.

69 Section 2. Section **63B-28-102** is enacted to read:

70 **63B-28-102. Revenue bond authorizations -- Board of Regents.**

71 (1) The Legislature intends that:

72 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and  
73 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow  
74 money on the credit, revenues, and reserves of the university, other than appropriations of the  
75 Legislature, to finance the cost of constructing a south campus student housing and dining  
76 project;

77 (b) the University of Utah use student housing rental fees and other auxiliary revenues  
78 as the primary revenue sources for repayment of any obligation created under authority of this  
79 Subsection (1);

80 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by  
81 this Subsection (1) may not exceed \$105,217,000 for acquisition and construction proceeds,  
82 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and  
83 fund any debt service reserve requirements;

84 (d) the university may plan, design, and construct a south campus student housing and  
85 dining project, subject to the requirements of Title 63A, Chapter 5, State Building Board -  
86 Division of Facilities Construction and Management; and

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

89 (2) The Legislature intends that:

90 (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and  
91 deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow  
92 money on the credit, revenues, and reserves of the university, other than appropriations of the  
93 Legislature, to finance the cost of constructing the Space Dynamics Laboratory Phase II;

94 (b) Utah State University use reimbursement from research projects as the primary  
95 revenue sources for repayment of any obligation created under authority of this Subsection (2);

96 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by  
97 this Subsection (2) may not exceed \$31,400,000 for acquisition and construction proceeds,  
98 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and  
99 fund any debt service reserve requirements;

100 (d) the university may plan, design, and construct the Space Dynamics Laboratory  
101 Phase II, subject to the requirements of Title 63A, Chapter 5, State Building Board - Division  
102 of Facilities Construction and Management; and

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

105 (3) The Legislature intends that:

106 (a) the Board of Regents, on behalf of Salt Lake Community College, may issue, sell,  
107 and deliver revenue bonds or other evidences of indebtedness of Salt Lake Community College  
108 to borrow money on the credit, revenues, and reserves of the college, other than appropriations  
109 of the Legislature, to finance the cost of constructing a student center on the Jordan Campus;

110 (b) Salt Lake Community College use student fees as the primary revenue sources for  
111 repayment of any obligation created under authority of this Subsection (3);

112 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by  
113 this Subsection (3) may not exceed \$13,000,000 for acquisition and construction proceeds,  
114 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and  
115 fund any debt service reserve requirements;

116 (d) the college may plan, design, and construct a student center on the Jordan Campus,  
117 subject to the requirements of Title 63A, Chapter 5, State Building Board - Division of  
118 Facilities Construction and Management; and

119 (e) the college may not request state funds for operation and maintenance costs or  
120 capital improvements.

121 Section 3. Section **63B-28-201** is enacted to read:

122 **Part 2. 2018 Capital Facility Design and Construction Authorizations**

123 **63B-28-201. Authorization to design and construct capital facilities using**

124 **institutional or agency funds.**

125 The Legislature intends that:

126 (1) Weber State University may, subject to the requirements in Title 63A, Chapter 5,

127 State Building Board - Division of Facilities Construction and Management, use up to

128 \$17,604,700 in donations and institutional funds to plan, design, and construct the Davis

129 Campus Computer and Automotive Engineering Building;

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

131 (3) the university may use state funds for operation and maintenance costs and capital

132 improvements.

133 Section 4. **Effective date.**

134 If approved by two-thirds of all the members elected to each house, this bill takes effect

135 upon approval by the governor, or the day following the constitutional time limit of Utah

136 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,

137 the date of veto override.

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**Legislative Review Note**

**Office of Legislative Research and General Counsel**