

Walt Brooks proposes the following substitute bill:

State Facilities Modifications

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Walt Brooks

Senate Sponsor:

LONG TITLE

General Description:

This bill addresses state facilities.

Highlighted Provisions:

This bill:

- ▶ establishes the Higher Education Appropriations Subcommittee as the subcommittee to hear and prioritize requests for state funding of capital facility projects within the Utah System of Higher Education;
- ▶ establishes requirements for the proposal of a technical college or degree-granting institution for a capital facility project funding request;
- ▶ requires compliance with the dedicated and non-dedicated project approval process for higher education capital facility projects;
- ▶ clarifies the process for requesting capital development appropriations by distinguishing between architectural programming and design-and-construction phases;
- ▶ authorizes an agency to request funding for architectural programming without requiring the submission of a feasibility study;
- ▶ requires an agency to complete architectural programming before requesting an appropriation for the design and construction of a capital development project;
- ▶ increases, from \$100,000 to \$1,500,000, the maximum project cost for which a state entity may directly supervise the design and construction of a state facility and establishes higher supervisory thresholds for certain institutions within the Utah System of Higher Education;
- ▶ requires a state entity that elects to directly supervise the design and construction of a state facility project to enter into a memorandum of understanding with the Division of Facilities Construction and Management (division) that addresses compliance with division standards;

- 29 ▶ authorizes the director of the division to assume control of a project described above
30 when division inspection or review determines that the work is deficient or
31 noncompliant with division design, construction, or code inspection standards;
- 32 ▶ aligns revocation authority for delegated projects by allowing the director of the division
33 to revoke delegation to address inspection-based deficiencies;
- 34 ▶ requires that design criteria exceeding the state construction code to be appropriate for the
35 facility's intended use and cost-effective over the facility's expected useful life;
- 36 ▶ adds required components to a capital development feasibility study by requiring
37 inclusion of a space utilization plan and capital budget estimate approved by the division;
- 38 ▶ authorizes the Legislature to transfer any excess amount from the statewide contingency
39 reserve to the General Fund or the Income Tax Fund;
- 40 ▶ if the excess amount described above is attributable to a higher education or technical
41 college capital project, requires the Legislature to transfer the excess amount to the
42 applicable capital project fund;
- 43 ▶ requires the division to submit an annual request for appropriation to the Legislature for
44 each year covered by the five-year building plan;
- 45 ▶ authorizes the director of the division to approve certain design modifications for capital
46 development projects of institutions of higher education and to allocate resulting
47 construction cost savings between the institution and the state; and
- 48 ▶ makes technical and conforming changes.

49 **Money Appropriated in this Bill:**

50 None

51 **Other Special Clauses:**

52 None

53 **Utah Code Sections Affected:**

54 AMENDS:

55 **53H-1-402 (Effective 05/06/26) (Partially Repealed 07/01/27)**, as renumbered and
56 amended by Laws of Utah 2025, First Special Session, Chapter 8

57 **53H-9-402 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
58 First Special Session, Chapter 8

59 **53H-9-504 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
60 First Special Session, Chapter 8

61 **53H-9-604 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
62 First Special Session, Chapter 8

63 **63A-5b-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
 64 Session, Chapter 9
 65 **63A-5b-402 (Effective 05/06/26)**, as last amended by Laws of Utah 2022, Chapter 421
 66 **63A-5b-501 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 152
 67 **63A-5b-502 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 152
 68 **63A-5b-602 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 152
 69 **63A-5b-604 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
 70 Session, Chapter 15
 71 **63A-5b-609 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 368

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

74 Section 1. Section **53H-1-402** is amended to read:

75 **53H-1-402 (Effective 05/06/26) (Partially Repealed 07/01/27). Reports to and**
 76 **actions of the Higher Education Appropriations Subcommittee.**

77 (1) In accordance with applicable provisions and Section 68-3-14, the following recurring
 78 reports are due to the Higher Education Appropriations Subcommittee:

- 79 (a) the reports described in Sections 53H-1-502, 53H-1-503, and 53H-1-504;
 80 (b) the reports described in Section 53H-1-203 by the board on:
 81 (i) system wide responses to changing demographics and workforce; and
 82 (ii) the board's activities and performance against the board's goals and metrics;
 83 (c) the report described in Section 53H-5-205;
 84 (d) the report described in Section 53H-8-202 by the board on recommended
 85 appropriations for higher education institutions and the board, including the report
 86 described in Section 53H-11-406 by the board on the effects of offering nonresident
 87 partial tuition scholarships;
 88 (e) the report described in Section 53H-8-306 by the Department of Workforce Services
 89 and the Governor's Office of Economic Opportunity on targeted jobs;
 90 (f) the reports described in Section 53H-8-303 by the board on performance;
 91 (g) the report described in Section 53H-11-402 by the board on the Opportunity
 92 Scholarship Program;
 93 (h) the report described in Section 53H-13-309 regarding the talent advisory councils;
 94 (i) the report described in Section 53H-11-414 by the board on the Utah Promise
 95 Program;
 96 (j) the report described in Section 53H-6-202 by the board on an institution

97 compensating a student athlete for the use of the student athlete's name, image, or
98 likeness;

99 (k) the report described in Section 53H-1-604 regarding the Higher Education and
100 Corrections Council; and

101 (l) the report described in Section 53E-10-308 by the State Board of Education and
102 board on student participation in the concurrent enrollment program.

103 (2) In accordance with applicable provisions and Section 68-3-14, the following occasional
104 report is due to the Higher Education Appropriations Subcommittee: the board's report
105 regarding each institution's strategic reinvestment plan described in Section 53H-8-210.

106 (3) In accordance with applicable provisions, the Higher Education Appropriations
107 Subcommittee shall complete the following:

108 (a) an appropriation recommendation described in Section 53H-1-504 regarding
109 compliance with Subsections 53H-1-504(5) and (14); and

110 (b) as required by Section 53H-8-304, the review of performance funding described in
111 Section 53H-8-304.

112 (4) The Higher Education Appropriations Subcommittee shall hear and prioritize any
113 requests for capital facilities within the Utah System of Higher Education described in
114 Section 53H-1-102, in accordance with Chapter 9, Part 5, General Capital
115 Developments, and Chapter 9, Part 6, Technical College Leasing and Capital
116 Development.

117 [~~4~~] (5) In consultation with the board, the Higher Education Appropriations Subcommittee
118 shall study a re-design of:

119 (a) the performance funding model described in Chapter 8, Part 3, Performance Funding,
120 to better ensure:

121 (i) institutional alignment with the statewide system of higher education and the
122 institution's mission within the statewide system; and

123 (ii) investment in meeting localized and statewide workforce demands and securing
124 post-graduation employment outcomes; and

125 (b) enrollment-based funding, including, for technical colleges, funding distribution
126 models that:

127 (i) include equivalent funding value for secondary and adult students; and

128 (ii) reflect the full responsibility of the technical college's statutorily-required
129 services.

130 Section 2. Section **53H-9-402** is amended to read:

131 **53H-9-402 (Effective 05/06/26). Buildings and facilities -- Board approval of**
 132 **construction and purchases -- Rules.**

- 133 (1) The board shall approve all new construction, repair, or purchase of educational and
 134 general buildings and facilities financed from any source at all institutions subject to the
 135 jurisdiction of the board.
- 136 (2) An institution may not[-] :
- 137 (a) submit plans or specifications to the Division of Facilities Construction and
 138 Management for the construction or alteration of buildings, structures, or facilities or
 139 for the purchases of equipment or fixtures for the structure without the authorization
 140 of the board[-] ; or
- 141 (b) request state funding for a dedicated or non-dedicated project except as provided in
 142 Part 5, General Capital Developments, and Part 6, Technical College Leasing and
 143 Capital Development.
- 144 (3) The board shall make rules establishing the conditions under which facilities may be
 145 eligible to request state funds for operations and maintenance.
- 146 (4) Before approving the purchase of a building, the board shall:
- 147 (a) determine whether or not the building will be eligible for state funds for operations
 148 and maintenance by applying the rules adopted under Subsection (3); and
- 149 (b) if the annual request for state funding for operations and maintenance will be greater
 150 than \$100,000, notify the speaker of the House, the president of the Senate, and the
 151 cochairs of the Transportation and Infrastructure Appropriations Subcommittee.

152 Section 3. Section **53H-9-504** is amended to read:

153 **53H-9-504 (Effective 05/06/26). Funding request for capital development project**
 154 **-- Legislative approval -- Board prioritization, approval, and review.**

- 155 (1) In accordance with this section, a degree-granting institution is required to receive
 156 legislative approval in an appropriations act for a dedicated project or a nondedicated
 157 project.
- 158 (2) A degree-granting institution shall[-] :
- 159 (a) submit to the board a proposal for a funding request for each dedicated project or
 160 nondedicated project for which the institution seeks legislative approval[-] ; and
- 161 (b) ensure that the proposal described in Subsection (2)(a) includes:
- 162 (i) the name of the project;
- 163 (ii) a specification of the intent of the project as a dedicated project or a
 164 non-dedicated project;

- 165 (iii) the projected cost of the project and the sources of funding, including internal
166 funds, requested legislative appropriations, matching funds, or debt;
- 167 (iv) a budget for the project, including:
- 168 (A) any land cost;
169 (B) architecture and engineering costs;
170 (C) any impact fees;
171 (D) horizontal development costs, including infrastructure and site work;
172 (E) vertical construction costs;
173 (F) furniture costs;
174 (G) any plan to fund future operations, maintenance, and staffing costs;
175 (H) financing costs; and
176 (I) construction management, project management, or other administrative costs;
- 177 (v) a rendering of the project;
- 178 (vi) a narrative explaining the use of the facility, including the facility's expected life
179 span;
- 180 (vii) a facility utilization analysis demonstrating that the existing facilities are
181 inadequate to serve the program or function for which the institution is seeking
182 funding; and
- 183 (viii) the amount of square feet of the project, including a breakdown of the uses of
184 the space by square footage, including any:
- 185 (A) classroom space;
186 (B) lab space;
187 (C) office space;
188 (D) meeting room space;
189 (E) entertainment space;
190 (F) residential space;
191 (G) garage or storage space;
192 (H) mechanical space; and
193 (I) common areas, including any atrium, stairway, restroom, or commons.
- 194 (3) The board shall:
- 195 (a) review each proposal submitted under Subsection (2) to ensure the proposal:
- 196 (i) is cost effective and an efficient use of resources;
- 197 (ii) is consistent with the degree-granting institution's mission and master plan; and
- 198 (iii) fulfills a critical institutional facility need;

- 199 (b) based on the results of the board's review under Subsection (3)(a), create:
- 200 (i) a list of approved dedicated projects; and
- 201 (ii) a list of approved nondedicated projects, prioritized in accordance with
- 202 Subsection (5); and
- 203 (c) submit the lists described in Subsection (3)(b), including the relevant proposals, to:
- 204 (i) the governor;
- 205 [~~(ii) the Transportation and Infrastructure Appropriations Subcommittee;~~]
- 206 [~~(iii)~~ (ii) the Higher Education Appropriations Subcommittee; and
- 207 [~~(iv)~~ (iii) the Division of Facilities Construction and Management for a:
- 208 (A) recommendation, for the list described in Subsection (3)(b)(i); or
- 209 (B) recommendation and prioritization, for the list described in Subsection
- 210 (3)(b)(ii).
- 211 (4) A dedicated project:
- 212 (a) is subject to the recommendation of the Division of Facilities Construction and
- 213 Management as described in Section 63A-5b-403; and
- 214 (b) is not subject to the prioritization of the Division of Facilities Construction and
- 215 Management as described in Section 63A-5b-403.
- 216 (5)(a) Subject to Subsection (6), the board shall prioritize institution requests for funding
- 217 for nondedicated projects based on:
- 218 (i) capital facility need;
- 219 (ii) utilization of facilities;
- 220 (iii) maintenance and condition of facilities; and
- 221 (iv) any other factor determined by the board.
- 222 (b) The board shall establish how the board will prioritize institution requests for
- 223 funding for nondedicated projects, including:
- 224 (i) how the board will measure each factor described in Subsection (5)(a); and
- 225 (ii) procedures for prioritizing requests.
- 226 (6)(a) Subject to Subsection (6)(b), and in accordance with Subsection (5), the board
- 227 may annually prioritize:
- 228 (i) up to three nondedicated projects if the ongoing appropriation to the fund is less
- 229 than \$50,000,000;
- 230 (ii) up to two nondedicated projects if the ongoing appropriation to the fund is at least
- 231 \$50,000,000 but less than \$100,000,000; or
- 232 (iii) one nondedicated project if the ongoing appropriation to the fund is at least

233 \$100,000,000.

234 (b) For each calendar year, the dollar amounts described in Subsection (6)(a) shall be
235 adjusted by an amount equal to the percentage difference between:

236 (i) the Consumer Price Index for the 2019 calendar year; and

237 (ii) the Consumer Price Index for the previous calendar year.

238 (7)(a) A degree-granting institution may request operations and maintenance funds for a
239 capital development project approved under this section.

240 (b) A degree-granting institution shall make the request described in Subsection (7)(a) at
241 the same time the degree-granting institution submits the proposal described in
242 Subsection (2).

243 (c) The Legislature shall consider a degree-granting institution's request described in
244 Subsection (7)(a).

245 (8) After a degree-granting institution completes a capital development project described in
246 this section, the board shall review the capital development project, including the costs
247 and design of the capital development project.

248 Section 4. Section **53H-9-604** is amended to read:

249 **53H-9-604 (Effective 05/06/26). Legislative approval -- Capital development**
250 **projects -- Prioritization.**

251 (1) As used in this section:

252 (a) "Consumer Price Index" means the Consumer Price Index for All Urban Consumers
253 as published by the Bureau of Labor Statistics of the United States Department of
254 Labor.

255 (b) "Fund" means the Technical Colleges Capital Projects Fund created in Section
256 53H-9-605.

257 (2) In accordance with this section, a technical college is required to receive legislative
258 approval in an appropriations act for a dedicated project or a nondedicated project.

259 (3) In accordance with Section 53H-9-603, a technical college shall[-] :

260 (a) submit to the board a proposal for a funding request for each dedicated project or
261 nondedicated project for which the technical college seeks legislative approval[-] ; and

262 (b) ensure that the proposal described in Subsection (3)(a) includes:

263 (i) the name of the project;

264 (ii) a specification of the intent of the project as a dedicated project or a
265 non-dedicated project;

266 (iii) the projected cost of the project and the sources of funding, including internal

- 267 funds, requested legislative appropriations, matching funds, or debt;
268 (iv) a budget for the project, including:
269 (A) any land cost;
270 (B) architecture and engineering costs;
271 (C) any impact fees;
272 (D) horizontal development costs, including infrastructure and site work;
273 (E) vertical construction costs;
274 (F) furniture costs;
275 (G) any plan to fund future operations, maintenance, and staffing costs;
276 (H) financing costs; and
277 (I) construction management, project management, or other administrative costs;
278 (v) a rendering of the project;
279 (vi) a narrative explaining the use of the facility, including the facility's expected life
280 span;
281 (vii) a facility utilization analysis demonstrating that the existing facilities are
282 inadequate to serve the program or function for which the institution is seeking
283 funding; and
284 (viii) the amount of square feet of the project, including a breakdown of the uses of
285 the space by square footage, including any:
286 (A) classroom space;
287 (B) lab space;
288 (C) office space;
289 (D) meeting room space;
290 (E) entertainment space;
291 (F) residential space;
292 (G) garage or storage space;
293 (H) mechanical space; and
294 (I) common areas, including any atrium, stairway, restroom, or commons.
295 (4) The board shall:
296 (a) review each proposal submitted under Subsection (3) to ensure that the proposal
297 complies with Section 53H-9-603;
298 (b) based on the results of the board's review under Subsection (4)(a), create:
299 (i) a list of approved dedicated projects, prioritized in accordance with Subsection (6);
300 and

- 301 (ii) a list of approved nondedicated projects, prioritized in accordance with
302 Subsection (6); and
- 303 (c) submit the lists described in Subsection (4)(b), including the relevant proposals, to:
304 (i) the governor;
305 [~~(ii) the Transportation and Infrastructure Appropriations Subcommittee;~~]
306 [~~(iii)~~ (ii) the Higher Education Appropriations Subcommittee; and
307 [~~(iv)~~ (iii) the Division of Facilities Construction and Management for a:
308 (A) recommendation, for the list described in Subsection (4)(b)(i); or
309 (B) recommendation and prioritization, for the list described in Subsection
310 (4)(b)(ii).
- 311 (5) A dedicated project:
312 (a) is subject to the recommendation of the Division of Facilities Construction and
313 Management as described in Section 63A-5b-403; and
314 (b) is not subject to the prioritization of the Division of Facilities Construction and
315 Management as described in Section 63A-5b-403.
- 316 (6)(a) Subject to Subsection (7), the board shall prioritize funding requests for capital
317 development projects described in this section based on:
318 (i) growth and capacity;
319 (ii) effectiveness and support of critical programs;
320 (iii) cost effectiveness;
321 (iv) building deficiencies and life safety concerns; and
322 (v) alternative funding sources.
- 323 (b) The board shall establish:
324 (i) how the board will measure each factor described in Subsection (6)(a); and
325 (ii) procedures for prioritizing funding requests for capital development projects
326 described in this section.
- 327 (7)(a) Subject to Subsection (7)(b), and in accordance with Subsection (6), the board
328 may annually prioritize:
329 (i) up to three nondedicated projects if the ongoing appropriation to the fund is less
330 than \$7,000,000;
331 (ii) up to two nondedicated projects if the ongoing appropriation to the fund is at least
332 \$7,000,000 but less than \$14,000,000; or
333 (iii) one nondedicated project if the ongoing appropriation to the fund is at least
334 \$14,000,000.

335 (b) For each calendar year, the dollar amounts described in Subsection (7)(a) shall be
 336 adjusted by an amount equal to the percentage difference between:

337 (i) the Consumer Price Index for the 2019 calendar year; and

338 (ii) the Consumer Price Index for the previous calendar year.

339 (8)(a) A technical college may request operations and maintenance funds for a capital
 340 development project approved under this section.

341 (b) A technical college shall make the request described in Subsection (8)(a) at the same
 342 time the technical college submits the proposal described in Subsection (3).

343 (c) The Legislature shall consider a technical college's request described in Subsection
 344 (8)(a).

345 Section 5. Section **63A-5b-102** is amended to read:

346 **63A-5b-102 (Effective 05/06/26). Definitions.**

347 As used in this chapter:

348 (1) "Capitol hill" means the same as that term is defined in Section 63O-1-101.

349 (2) "Compliance agency" means the same as that term is defined in Section 15A-1-202.

350 (3) "Director" means the division director, appointed under Section 63A-5b-302.

351 (4) "Division" means the Division of Facilities Construction and Management created in
 352 Section 63A-5b-301.

353 (5) "Institution of higher education" means the same as that term is defined in Section
 354 53H-1-101.

355 (6) "Program document" means a final document that contains programming information.

356 (7) "Programming" means services to define the scope and purpose of an anticipated
 357 project, and may include:

358 (a) researching criteria applicable to the scope and purpose of an anticipated project;

359 (b) identifying the scale of the project and the type of facilities and the level of
 360 specialized functions that will be required;

361 (c) identifying and prioritizing values and goals that will impact the project, including
 362 institutional purposes, growth objectives, and cultural, technological, temporal,
 363 aesthetic, symbolic, economic, environmental, safety, sustainability, and other
 364 relevant criteria;

365 (d) evaluating functional efficiency, user comfort, building economics, environmental
 366 sustainability, and visual quality;

367 (e) identifying objectives for the project, including such elements as image, efficiencies,
 368 functionality, cost, and schedule;

- 369 (f) identifying and evaluating the constraints that will have an impact on the project such
 370 as legal requirements, financial constraints, location, access, visibility, and building
 371 services;
- 372 (g) developing standards such as area allowances, space allocation, travel distances, and
 373 furniture and equipment requirements;
- 374 (h) establishing general space quality standards related to such elements as lighting
 375 levels, equipment performance, acoustical requirements, security, and aesthetics;
- 376 (i) identifying required spaces;
- 377 (j) establishing sizes and relationships;
- 378 (k) establishing space efficiency factors or the ratio of net square footage to gross square
 379 footage; and
- 380 (l) documenting particular space requirements such as special HVAC, plumbing, power,
 381 lighting, acoustical, furnishings, equipment, or security needs.

382 [(6)] (8) "Trust lands administration" means the School and Institutional Trust Lands
 383 Administration established in Section 53C-1-201.

384 [(7)] (9) "Utah Board of Higher Education" means the Utah Board of Higher Education
 385 established in Section 53H-1-203.

386 Section 6. Section **63A-5b-402** is amended to read:

387 **63A-5b-402 (Effective 05/06/26). Capital development process -- Approval**
 388 **requirements.**

389 (1) Except as provided in Section 63A-5b-404, the division shall, on behalf of all agencies,
 390 submit capital development project recommendations and priorities to the Legislature
 391 for approval and prioritization.

392 [~~(2) An agency that requests an appropriation for a capital development project shall submit~~
 393 ~~to the division for transmission to the Legislature a capital development project request~~
 394 ~~and a feasibility study relating to the capital development project.]~~

395 (2)(a) An agency may request an appropriation for the programming of a capital
 396 development project by submitting the request to the division for transmittal to the
 397 Legislature.

398 (b) An agency may, but is not required to, submit a completed feasibility study in
 399 connection with a request described in Subsection (2)(a).

400 (c) An agency may request an appropriation for the design and construction of a capital
 401 development project by submitting the request and a program document to the
 402 division for transmittal to the Legislature.

403 (3) The division may not transmit to the Legislature a request described in Subsection (2)(c)
 404 unless the agency submits a program document for the capital development project.

405 [~~3~~] (4)(a) The division shall, in accordance with Title 63G, Chapter 3, Utah
 406 Administrative Rulemaking Act, make rules that establish standards and
 407 requirements for~~[a capital development project request and feasibility study.]~~ :

408 (i) a capital development project; and

409 (ii) if submitted, a feasibility study.

410 (b) The rules shall include:

411 (i) a deadline by which an agency is required to submit a capital development project
 412 request;

413 (ii) conditions under which an agency may modify the agency's capital development
 414 project request after the agency submits the request, and requirements applicable
 415 to a modification; and

416 (iii) requirements for the contents of a feasibility study, including:

417 (A) the need for the capital development project;

418 (B) the appropriateness of the scope of the capital development project;

419 (C) any private funding for the capital development project; [~~and~~]

420 (D) the economic and community impacts of the capital development project~~[-]~~ ;

421 (E) a space utilization plan developed in accordance with rules made by the

422 division under Title 63G, Chapter 3, Utah Administrative Rulemaking Act; and

423 (F) a capital budget estimate approved by the division.

424 [~~4~~] (5) The division shall verify the completion and accuracy of a feasibility study or
 425 program document that an agency submits under Subsection (2) prior to submitting
 426 capital development project recommendations and priorities under Subsection (1).

427 Section 7. Section **63A-5b-501** is amended to read:

428 **63A-5b-501 (Effective 05/06/26). Five-year building plan.**

429 (1) The director shall:

430 (a) in cooperation with agencies, prepare a master plan of structures built or
 431 contemplated;

432 (b) submit to the governor and the Legislature a comprehensive five-year building plan
 433 for the state containing the information required by Subsection (2);

434 (c) amend and keep current the five-year building plan that complies with the
 435 requirements described in Subsection (2), for submission to the governor and
 436 subsequent legislatures; [~~and~~]

- 437 (d) as part of the long-range plan, recommend to the governor and Legislature any
438 changes in the law that are necessary to ensure an effective, well-coordinated
439 building program for all agencies[-] ; and
- 440 (e) for each fiscal year covered by the five-year building plan, submit to the Legislature
441 a request for appropriation for that fiscal year.
- 442 (2)(a) The director shall ensure that the five-year building plan required by Subsection
443 (1)(b) includes:
- 444 (i) a list that prioritizes construction of new buildings for all structures built or
445 contemplated based upon each agency's present and future needs;
 - 446 (ii) information and space use data for all state-owned and leased facilities;
 - 447 (iii) substantiating data to support the adequacy of any projected plans;
 - 448 (iv) a summary of all statewide contingency reserve and project reserve balances as
449 of the end of the most recent fiscal year;
 - 450 (v) a list of buildings that have completed a comprehensive facility evaluation by an
451 architect or engineer or are scheduled to have an evaluation;
 - 452 (vi) for those buildings that have completed the evaluation, the estimated costs of
453 needed improvements; and
 - 454 (vii) for projects recommended in the first two years of the five-year building plan:
 - 455 (A) detailed estimates of the cost of each project;
 - 456 (B) the estimated cost to operate and maintain the building or facility on an annual
457 basis;
 - 458 (C) the cost of capital improvements to the building or facility, estimated at 1.1%
459 of the replacement cost of the building or facility, on an annual basis;
 - 460 (D) the estimated number of new agency full-time employees expected to be
461 housed in the building or facility;
 - 462 (E) the estimated cost of new or expanded programs and personnel expected to be
463 housed in the building or facility;
 - 464 (F) the estimated lifespan of the building with associated costs for major
465 component replacement over the life of the building; and
 - 466 (G) the estimated cost of any required support facilities.
- 467 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
468 director may make rules prescribing the format for submitting the information
469 required by this Subsection (2).
- 470 (3) To provide adequate information to enable the director to make a recommendation

471 described in Subsection (1), an agency requesting new full-time employees for the next
472 fiscal year shall report those anticipated requests to the director at least 90 days before
473 the annual general session in which the request is made.

474 Section 8. Section **63A-5b-502** is amended to read:

475 **63A-5b-502 (Effective 05/06/26). Programming.**

476 [~~(1) As used in this section:~~]

477 [(a) "Program document" means a final document that contains programming
478 information.]

479 [(b) "Programming" means services to define the scope and purpose of an anticipated
480 project, and may include:]

481 [(i) researching criteria applicable to the scope and purpose of an anticipated project;]

482 [(ii) identifying the scale of the project and the type of facilities and the level of
483 specialized functions that will be required;]

484 [(iii) identifying and prioritizing values and goals that will impact the project,
485 including institutional purposes, growth objectives, and cultural, technological,
486 temporal, aesthetic, symbolic, economic, environmental, safety, sustainability, and
487 other relevant criteria;]

488 [(iv) evaluating functional efficiency, user comfort, building economics,
489 environmental sustainability, and visual quality;]

490 [(v) identifying objectives for the project, including such elements as image,
491 efficiencies, functionality, cost, and schedule;]

492 [(vi) identifying and evaluating the constraints that will have an impact on the project
493 such as legal requirements, financial constraints, location, access, visibility, and
494 building services;]

495 [(vii) developing standards such as area allowances, space allocation, travel
496 distances, and furniture and equipment requirements;]

497 [(viii) establishing general space quality standards related to such elements as
498 lighting levels, equipment performance, acoustical requirements, security, and
499 aesthetics;]

500 [(ix) identifying required spaces;]

501 [(x) establishing sizes and relationships;]

502 [(xi) establishing space efficiency factors or the ratio of net square footage to gross
503 square footage; and]

504 [(xii) documenting particular space requirements such as special HVAC, plumbing,

505 ~~power, lighting, acoustical, furnishings, equipment, or security needs.]~~

506 [(2)] (1) A program document may:

507 (a) incorporate written and graphic materials; and

508 (b) include:

509 (i) an executive summary;

510 (ii) documentation of the methodology used to develop the programming;

511 (iii) value and goal statements;

512 (iv) relevant facts upon which the programming was based;

513 (v) conclusions derived from data analysis;

514 (vi) relationship diagrams;

515 (vii) flow diagrams;

516 (viii) matrices identifying space allocations and relationships;

517 (ix) space listings by function and size; and

518 (x) space program sheets, including standard requirements and special HVAC,

519 plumbing, power, lighting, acoustical, furnishings, equipment, or security needs.

520 [(3)] (2) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
521 director may make rules:

522 (a) establishing the types of projects for which programming and a program document
523 are required;

524 (b) establishing the scope of programming required for defined categories of projects;

525 (c) establishing the circumstances under which an agency must obtain authorization
526 from the director to engage in programming;

527 (d) governing the funding of programming;

528 (e) relating to the administration of programming; and

529 (f) regarding any restrictions that may be imposed on a person involved in programming
530 from participating in the preparation of construction documents for a project that is
531 the subject of the programming.

532 Section 9. Section **63A-5b-602** is amended to read:

533 **63A-5b-602 (Effective 05/06/26). Design criteria, standards, and procedures.**

534 (1) The director shall establish design criteria, standards, and procedures for the planning,
535 design, and construction of a new facility and for improvements to an existing facility,
536 including life-cycle costing, cost-effectiveness studies, and other methods and
537 procedures that address:

538 (a) the need for the facility;

- 539 (b) the effectiveness of the facility's design;
- 540 (c) the efficiency of energy use; and
- 541 (d) the usefulness of the facility over the facility's lifetime.
- 542 (2) Before proceeding with construction, the director and the officials charged with the
- 543 administration of the affairs of the particular agency shall approve the location, design,
- 544 plans, and specifications.
- 545 (3) The director shall prepare or have prepared by one or more private persons the designs,
- 546 plans, and specifications for the projects administered by the division.
- 547 (4) Before construction may begin, the director shall review the design of projects
- 548 exempted from the division's administration under Section 63A-5b-604 to determine if
- 549 the design:
- 550 (a) complies with any restrictions placed on the project by the director; and
- 551 (b) is appropriate for the purpose and setting of the project.
- 552 (5) Notwithstanding the requirements of Title 63J, Chapter 1, Budgetary Procedures Act,
- 553 the director may:
- 554 (a) accelerate the design of a project funded by an appropriation act passed by the
- 555 Legislature in the Legislature's annual general session;
- 556 (b) use an unencumbered existing account balance to fund that design work; and
- 557 (c) reimburse the account balance from the amount funded for the project when the
- 558 appropriation act funding the project becomes effective.
- 559 (6) If the director establishes design criteria or standards that exceed the minimum
- 560 requirements of the State Construction Code adopted under Title 15A, State
- 561 Construction and Fire Codes Act, the director shall ensure that the additional criteria or
- 562 standards are:
- 563 (a) appropriate for the intended use and setting of the facility; and
- 564 (b) cost-effective over the expected useful life of the facility.
- 565 Section 10. Section **63A-5b-604** is amended to read:
- 566 **63A-5b-604 (Effective 05/06/26). Construction, alteration, and repair of state**
- 567 **facilities -- Powers of director -- Exceptions -- Expenditure of appropriations --**
- 568 **Compliance agency role.**
- 569 (1)(a) Except as provided in this section and Section 63A-5b-1101, the director shall
- 570 exercise direct supervision over the design and construction of all new facilities, and
- 571 all alterations, repairs, and improvements to existing facilities, if the total project
- 572 construction cost, regardless of the funding source, is greater than [\$100,000]

- 573 \$1,500,000.
- 574 (b) [A] Subject to Subsections (1)(c) and (d), a state entity may exercise direct
575 supervision over the design and construction of all new facilities, and over all
576 alterations, repairs, and improvements to existing facilities, if:
- 577 (i) except as provided in Subsection (1)(e), the total project construction cost,
578 regardless of the funding sources, is [~~\$100,000~~] \$1,500,000 or less; and
- 579 (ii) the state entity assures compliance with the division's forms and contracts and the
580 division's design, construction, alteration, repair, improvement, and code
581 inspection standards.
- 582 (c) Before exercising direct supervision under Subsection (1)(b), a state entity shall enter
583 into a memorandum of understanding with the division, in a form developed by the
584 division, that addresses:
- 585 (i) the state entity's compliance with Subsection (1)(b)(i); and
- 586 (ii) other matters the division considers necessary and appropriate to facilitate the
587 state entity's supervision of the project.
- 588 (d) The director may assume direct supervision over the design and construction of a
589 project described in Subsection (1)(b) if the division determines, through inspection
590 or review conducted in accordance with the division's design, construction, or code
591 inspection standards, that the work is deficient, substandard, or noncompliant.
- 592 (e) For purposes of Subsection (1)(b)(i), a state entity that is an institution of higher
593 education described in Subsection 53H-1-102(1)(a) or (b) may exercise direct
594 supervision if the total project construction cost is:
- 595 (i) \$30,000,000 or less for the University of Utah;
- 596 (ii) \$10,000,000 or less for Utah State University;
- 597 (iii) \$2,500,000 or less for a university described in Subsections 53H-1-102(1)(a)(iii),
598 (iv), (vi), or (vii); or
- 599 (iv) \$1,000,000 or less for:
- 600 (A) Snow College;
- 601 (B) Salt Lake Community College; or
- 602 (C) a technical college described in Subsection 53H-1-102(1)(b).
- 603 (2) The director may enter into a capital improvement partnering agreement with an
604 institution of higher education that permits the institution of higher education to exercise
605 direct supervision for a capital improvement project with oversight from the division.
- 606 (3)(a) Subject to Subsection (3)(b), the director may delegate control over design,

- 607 construction, and other aspects of any project to entities of state government on a
608 project-by-project basis.
- 609 (b) With respect to a delegation of control under Subsection (3)(a), the director may:
- 610 (i) impose terms and conditions on the delegation that the director considers
611 necessary or advisable to protect the interests of the state; and
- 612 (ii) revoke the delegation and assume control of the design, construction, or other
613 aspect of a delegated project if the director considers the revocation and
614 assumption of control to be necessary to:
- 615 (A) address a circumstance described in Subsection (1)(d); or
616 (B) otherwise protect the interests of the state.
- 617 (4)(a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
618 the director may delegate control over design, construction, and all other aspects of
619 any project to entities of state government on a categorical basis for projects within a
620 particular dollar range and a particular project type.
- 621 (b) Rules adopted by the director under Subsection (4)(a) may:
- 622 (i) impose the terms and conditions on categorical delegation that the director
623 considers necessary or advisable to protect the interests of the state;
- 624 (ii) provide for the revocation of the delegation on a categorical basis and for the
625 division to assume control of the design, construction, or other aspect of a
626 category of delegated projects or a specific delegated project if the director
627 considers revocation of the delegation and assumption of control to be necessary
628 to protect the interests of the state;
- 629 (iii) require that a categorical delegation be renewed by the director on an annual
630 basis; and
- 631 (iv) require the division's oversight of delegated projects.
- 632 (5)(a) A state entity to which project control is delegated under this section shall:
- 633 (i) assume fiduciary control over project finances;
- 634 (ii) assume all responsibility for project budgets and expenditures; and
- 635 (iii) receive all funds appropriated for the project, including any contingency funds
636 contained in the appropriated project budget.
- 637 (b) Notwithstanding a delegation of project control under this section, a state entity to
638 which control is delegated is required to comply with the division's codes and
639 guidelines for design and construction.
- 640 (c) A state entity to which project control is delegated under this section may not access,

- 641 for the delegated project, the division's statewide contingency reserve and project
642 reserve authorized in Section 63A-5b-609.
- 643 (d) For a facility that will be owned, operated, maintained, and repaired by an entity that
644 is not an agency and that is located on property that the state owns or leases as a
645 tenant, the director may authorize the facility's owner to administer the design and
646 construction of the project relating to that facility.
- 647 (6)(a) A project for the construction of a new facility and a project for alterations,
648 repairs, and improvements to an existing facility are not subject to Subsection (1) if
649 the project:
- 650 (i) occurs on property under the jurisdiction of the State Capitol Preservation Board;
 - 651 (ii) is within a designated research park at the University of Utah or Utah State
652 University;
 - 653 (iii) occurs within the boundaries of This is the Place State Park and is administered
654 by This is the Place Foundation; or
 - 655 (iv) is for the creation and installation of art under Title 9, Chapter 6, Part 4, Utah
656 Percent-for-Art Act.
- 657 (b) Notwithstanding Subsection (6)(a)(iii), the This is the Place Foundation may request
658 the director to administer the design and construction of a project within the
659 boundaries of This is the Place State Park.
- 660 (7)(a) The role of compliance agency under Title 15A, State Construction and Fire
661 Codes Act, shall be filled by:
- 662 (i) the director, for a project administered by the division;
 - 663 (ii) the entity designated by the State Capitol Preservation Board, for a project under
664 Subsection (6)(a)(i);
 - 665 (iii) the local government, for a project that is:
 - 666 (A) not subject to the division's administration under Subsection (6)(a)(ii); or
 - 667 (B) administered by This is the Place Foundation under Subsection (6)(a)(iii);
 - 668 (iv) the compliance agency designated by the director, for a project under Subsection
669 (2), (3), (4), or (5)(d); and
 - 670 (v) for the installation of art under Subsection (6)(a)(iv), the entity that is acting as
671 the compliance officer for the balance of the project for which the art is being
672 installed.
- 673 (b) A local government acting as the compliance agency under Subsection (7)(a)(iii)
674 may:

- 675 (i) only review plans and inspect construction to enforce the state construction code
 676 or an approved code under Title 15A, State Construction and Fire Codes Act; and
 677 (ii) charge a building permit fee of no more than the amount the local government
 678 could have charged if the land upon which the improvements are located were not
 679 owned by the state.

680 (8)(a) The zoning authority of a local government under Title 10, Chapter 20, Municipal
 681 Land Use, Development, and Management Act, or Title 17, Chapter 79, County Land
 682 Use, Development, and Management Act, does not apply to the use of property that
 683 the state owns or any improvements constructed on property that the state owns,
 684 including improvements constructed by an entity other than a state entity.

685 (b) A state entity controlling the use of property that the state owns shall consider any
 686 input received from a local government in determining how the property is to be used.

687 Section 11. Section **63A-5b-609** is amended to read:

688 **63A-5b-609 (Effective 05/06/26). Expenditure of appropriated funds supervised**
 689 **by director -- Contingencies -- Disposition of project reserve funds -- Set aside for Utah**
 690 **Percent-for-Art Program.**

691 (1) The director shall:

- 692 (a)(i) supervise the expenditure of funds in providing plans, engineering
 693 specifications, sites, and construction of the buildings for which legislative
 694 appropriations are made; and
 695 (ii) specifically allocate money appropriated if more than one project is included in
 696 any single appropriation without legislative directive;
- 697 (b)(i) expend the amount necessary from appropriations for planning, engineering,
 698 and architectural work; and
 699 (ii)(A) allocate amounts from appropriations necessary to cover expenditures
 700 previously made from the planning fund under Section 63A-5b-503 in the
 701 preparation of plans, engineering, and specifications; and
 702 (B) return the amounts described in Subsection (1)(b)(ii)(A) to the planning fund;
 703 and
- 704 (c) hold in a statewide contingency reserve the amount budgeted for contingencies:
 705 (i) in appropriations for the construction or remodeling of facilities; and
 706 (ii) that are over and above all amounts obligated by contract for planning,
 707 engineering, architectural work, sites, and construction contracts.

708 (2)(a) The director shall base the amount budgeted for contingencies on a sliding scale

- 709 percentage of the construction cost ranging from:
- 710 (i) 4.5% to 6.5% for new construction; and
- 711 (ii) 6% to 9.5% for remodeling projects.
- 712 (b) The director shall hold the statewide contingency funds to cover:
- 713 (i) costs of change orders; and
- 714 (ii) unforeseen, necessary costs beyond those specifically budgeted for the project.
- 715 (c)[(†)] The Legislature shall annually review the percentage and the amount held in
- 716 the statewide contingency reserve.
- 717 [~~(ii) The Legislature may reappropriate to other building needs, including the cost of~~
- 718 ~~administering building projects, any amount from the statewide contingency~~
- 719 ~~reserve that is in excess of the reserve required to meet future contingency needs.]~~
- 720 (d) If any amount from the statewide contingency reserve is in excess of the amount
- 721 required to meet future contingency needs, the Legislature:
- 722 (i) may reappropriate the excess amount to other building needs, including the cost of
- 723 administering building projects;
- 724 (ii) may transfer the excess amount to the General Fund or the Income Tax Fund, in
- 725 proportion to the amounts originally appropriated from each fund for the projects
- 726 to which the excess amount is attributable; or
- 727 (iii) if the excess amount is attributable to an appropriation for the programming or
- 728 design and construction of a project described in Title 53H, Chapter 9, Part 5,
- 729 General Capital Developments, or Title 53H, Chapter 9, Part 6, Technical College
- 730 Leasing and Capital Development, shall, instead of taking the action described in
- 731 Subsection (2)(d)(i) or (ii), transfer the excess amount, as applicable, to:
- 732 (A) the Higher Education Capital Projects Fund, created in Section 53H-9-502; or
- 733 (B) the Technical Colleges Capital Projects Fund, created in Section 53H-9-605.
- 734 (3)(a) The director shall hold in a separate project reserve state appropriated funds
- 735 accrued through bid savings and project residual.
- 736 (b) The director shall account for the funds accrued under Subsection (3)(a) in separate
- 737 accounts as follows:
- 738 (i) bid savings and project residual from a capital improvement project, as defined in
- 739 Section 63A-5b-401; and
- 740 (ii) bid savings and project residual from a capital development project, as defined in
- 741 Section 63A-5b-401.
- 742 (c) The director may use project reserve funds in the account described in Subsection

- 743 (3)(b)(i) for a capital improvement project:
744 (i) approved under Section 63A-5b-405; and
745 (ii) for which funds are not allocated.
- 746 (d) The director may:
747 (i) authorize the use of project reserve funds in the accounts described in Subsection
748 (3)(b) for the award of contracts in excess of a project's construction budget if the
749 use is required to meet the intent of the project;
750 (ii) transfer money from the account described in Subsection (3)(b)(i) to the account
751 described in Subsection (3)(b)(ii) if a capital development project has exceeded its
752 construction budget; and
753 (iii) use project reserve funds for any emergency capital improvement project,
754 whether or not the emergency capital improvement project is related to a project
755 that has exceeded its construction budget.
- 756 (e) The director shall report to the Office of the Legislative Fiscal Analyst within 30
757 days:
758 (i) an expenditure under Subsection (3)(c); or
759 (ii) a transfer under Subsection (3)(d).
- 760 (f) The Legislature shall annually review the amount held in the project reserve for
761 possible reallocation by the Legislature to other building needs, including the cost of
762 administering building projects.
- 763 (4) If any part of the appropriation for a building project, other than the part set aside for the
764 Utah Percent-for-Art Program under Title 9, Chapter 6, Part 4, Utah Percent-for-Art Act,
765 remains unencumbered after the award of construction and professional service contracts
766 and establishing a reserve for fixed and moveable equipment, the balance of the
767 appropriation is dedicated to the project reserve and does not revert to the General Fund.
- 768 (5)(a)(i) One percent of the amount appropriated for the construction of any new state
769 building or facility may be appropriated and set aside for the Utah Percent-for-Art
770 Program administered by the Division of Fine Arts under Title 9, Chapter 6, Part
771 4, Utah Percent-for-Art Act.
- 772 (ii) The total amount appropriated and set aside under Subsection (5)(a)(i) may not
773 exceed:
774 (A) \$200,000, if the new state building or facility is not located in a county of the
775 first class; and
776 (B) \$250,000, if the new state building or facility is located in a county of the first

- 777 class.
- 778 (b) The director shall release to the Division of Fine Arts any funds included in an
779 appropriation to the division that are designated by the Legislature for the Utah
780 Percent-for-Art Program.
- 781 (c) Funds from appropriations for a state building or facility may not be set aside:
782 (i) if any part of the funds is derived from the issuance of bonds; and
783 (ii) to the extent the set aside of funds would jeopardize the federal income tax
784 exemption otherwise allowed for interest paid on bonds.
- 785 (6)(a) After funds are appropriated for a non-dedicated project of an institution of higher
786 education, but before construction begins, the director may approve a modification to
787 the design of the project if:
- 788 (i) the modification is requested by the institution of higher education; and
789 (ii) the modification does not result in a material reduction in the scope or intended
790 use of the project.
- 791 (b) If a modification approved under Subsection (6)(a) results in a reduction to the
792 amount appropriated for construction, the director shall distribute the resulting cost
793 savings as follows:
- 794 (i) an amount, as determined by the director, not to exceed 50% of the cost savings:
795 (A) for a degree-granting institution described in Subsection 53H-1-102(1)(a), to
796 the institution's allocation within the Higher Education Capital Projects Fund;
797 or
798 (B) for a technical college described in Subsection 53H-1-102(1)(b), to the
799 technical college for use on a capital improvement project; and
- 800 (ii) the remaining amount to the state, to be deposited into the General Fund or the
801 Income Tax Fund in proportion to the amounts originally appropriated from each
802 fund for the project.
- 803 (c) Cost savings allocated under Subsection (6)(b) are not bid savings or project residual
804 under Subsection (3).

805 Section 12. **Effective Date.**

806 This bill takes effect on May 6, 2026.