

Walt Brooks proposes the following substitute bill:

**State Facilities Modifications**

2026 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Walt Brooks**

Senate Sponsor: Don L. Ipson

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

**Money Appropriated in this Bill:**

51           None

**Other Special Clauses:**

52           None

**Utah Code Sections Affected:**

53           AMENDS:

54           **53H-1-402 (Effective 05/06/26) (Partially Repealed 07/01/27)**, as renumbered and  
55 amended by Laws of Utah 2025, First Special Session, Chapter 8

56           **53H-9-402 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,  
57 First Special Session, Chapter 8

58           **53H-9-504 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,  
59 First Special Session, Chapter 8

63 **53H-9-604 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,  
 64 First Special Session, Chapter 8  
 65 **63A-5b-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special  
 66 Session, Chapter 9  
 67 **63A-5b-402 (Effective 05/06/26)**, as last amended by Laws of Utah 2022, Chapter 421  
 68 **63A-5b-501 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 152  
 69 **63A-5b-502 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 152  
 70 **63A-5b-602 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 152  
 71 **63A-5b-604 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special  
 72 Session, Chapter 15  
 73 **63A-5b-609 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 368  
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75 *Be it enacted by the Legislature of the state of Utah:*

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

77 **53H-1-402 (Effective 05/06/26) (Partially Repealed 07/01/27). Reports to and**  
 78 **actions of the Higher Education Appropriations Subcommittee.**

- 79 (1) In accordance with applicable provisions and Section 68-3-14, the following recurring  
 80 reports are due to the Higher Education Appropriations Subcommittee:
- 81 (a) the reports described in Sections 53H-1-502, 53H-1-503, and 53H-1-504;
  - 82 (b) the reports described in Section 53H-1-203 by the board on:
    - 83 (i) system wide responses to changing demographics and workforce; and
    - 84 (ii) the board's activities and performance against the board's goals and metrics;
  - 85 (c) the report described in Section 53H-5-205;
  - 86 (d) the report described in Section 53H-8-202 by the board on recommended  
 87 appropriations for higher education institutions and the board, including the report  
 88 described in Section 53H-11-406 by the board on the effects of offering nonresident  
 89 partial tuition scholarships;
  - 90 (e) the report described in Section 53H-8-306 by the Department of Workforce Services  
 91 and the Governor's Office of Economic Opportunity on targeted jobs;
  - 92 (f) the reports described in Section 53H-8-303 by the board on performance;
  - 93 (g) the report described in Section 53H-11-402 by the board on the Opportunity  
 94 Scholarship Program;
  - 95 (h) the report described in Section 53H-13-309 regarding the talent advisory councils;
  - 96 (i) the report described in Section 53H-11-414 by the board on the Utah Promise

- 97 Program;
- 98 (j) the report described in Section 53H-6-202 by the board on an institution
- 99 compensating a student athlete for the use of the student athlete's name, image, or
- 100 likeness;
- 101 (k) the report described in Section 53H-1-604 regarding the Higher Education and
- 102 Corrections Council; and
- 103 (l) the report described in Section 53E-10-308 by the State Board of Education and
- 104 board on student participation in the concurrent enrollment program.
- 105 (2) In accordance with applicable provisions and Section 68-3-14, the following occasional
- 106 report is due to the Higher Education Appropriations Subcommittee: the board's report
- 107 regarding each institution's strategic reinvestment plan described in Section 53H-8-210.
- 108 (3) In accordance with applicable provisions, the Higher Education Appropriations
- 109 Subcommittee shall complete the following:
- 110 (a) an appropriation recommendation described in Section 53H-1-504 regarding
- 111 compliance with Subsections 53H-1-504(5) and (14); and
- 112 (b) as required by Section 53H-8-304, the review of performance funding described in
- 113 Section 53H-8-304.
- 114 (4) The Higher Education Appropriations Subcommittee shall hear and prioritize any
- 115 requests for capital facilities within the Utah System of Higher Education described in
- 116 Section 53H-1-102, in accordance with Chapter 9, Part 5, General Capital
- 117 Developments, and Chapter 9, Part 6, Technical College Leasing and Capital
- 118 Development.
- 119 [~~4~~] (5) In consultation with the board, the Higher Education Appropriations Subcommittee
- 120 shall study a re-design of:
- 121 (a) the performance funding model described in Chapter 8, Part 3, Performance Funding,
- 122 to better ensure:
- 123 (i) institutional alignment with the statewide system of higher education and the
- 124 institution's mission within the statewide system; and
- 125 (ii) investment in meeting localized and statewide workforce demands and securing
- 126 post-graduation employment outcomes; and
- 127 (b) enrollment-based funding, including, for technical colleges, funding distribution
- 128 models that:
- 129 (i) include equivalent funding value for secondary and adult students; and
- 130 (ii) reflect the full responsibility of the technical college's statutorily-required

131 services.

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

133 **53H-9-402 (Effective 05/06/26). Buildings and facilities -- Board approval of**  
 134 **construction and purchases -- Rules.**

135 (1) The board shall approve all new construction, repair, or purchase of educational and  
 136 general buildings and facilities financed from any source at all institutions subject to the  
 137 jurisdiction of the board.

138 (2) An institution may not[-] :

139 (a) submit plans or specifications to the Division of Facilities Construction and  
 140 Management for the construction or alteration of buildings, structures, or facilities or  
 141 for the purchases of equipment or fixtures for the structure without the authorization  
 142 of the board[-] ; or

143 (b) request state funding for a dedicated or non-dedicated project except as provided in  
 144 Part 5, General Capital Developments, and Part 6, Technical College Leasing and  
 145 Capital Development.

146 (3) The board shall make rules establishing the conditions under which facilities may be  
 147 eligible to request state funds for operations and maintenance.

148 (4) Before approving the purchase of a building, the board shall:

149 (a) determine whether or not the building will be eligible for state funds for operations  
 150 and maintenance by applying the rules adopted under Subsection (3); and

151 (b) if the annual request for state funding for operations and maintenance will be greater  
 152 than \$100,000, notify the speaker of the House, the president of the Senate, and the  
 153 cochairs of the Transportation and Infrastructure Appropriations Subcommittee.

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

155 **53H-9-504 (Effective 05/06/26). Funding request for capital development project**  
 156 **-- Legislative approval -- Board prioritization, approval, and review.**

157 (1) In accordance with this section, a degree-granting institution is required to receive  
 158 legislative approval in an appropriations act for a dedicated project or a nondedicated  
 159 project.

160 (2) A degree-granting institution shall[-] :

161 (a) submit to the board a proposal for a funding request for each dedicated project or  
 162 nondedicated project for which the institution seeks legislative approval[-] ; and

163 (b) ensure that the proposal described in Subsection (2)(a) includes:

164 (i) the name of the project;

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

- 199 (a) review each proposal submitted under Subsection (2) to ensure the proposal:  
200 (i) is cost effective and an efficient use of resources;  
201 (ii) is consistent with the degree-granting institution's mission and master plan; and  
202 (iii) fulfills a critical institutional facility need;
- 203 (b) based on the results of the board's review under Subsection (3)(a), create:  
204 (i) a list of approved dedicated projects; and  
205 (ii) a list of approved nondedicated projects, prioritized in accordance with  
206 Subsection (5); and
- 207 (c) submit the lists described in Subsection (3)(b), including the relevant proposals, to:  
208 (i) the governor;  
209 [~~(ii) the Transportation and Infrastructure Appropriations Subcommittee;~~]  
210 [~~(iii)~~] (ii) the Higher Education Appropriations Subcommittee; and  
211 [~~(iv)~~] (iii) the Division of Facilities Construction and Management for a:  
212 (A) recommendation, for the list described in Subsection (3)(b)(i); or  
213 (B) recommendation and prioritization, for the list described in Subsection  
214 (3)(b)(ii).
- 215 (4) A dedicated project:  
216 (a) is subject to the recommendation of the Division of Facilities Construction and  
217 Management as described in Section 63A-5b-403; and  
218 (b) is not subject to the prioritization of the Division of Facilities Construction and  
219 Management as described in Section 63A-5b-403.
- 220 (5)(a) Subject to Subsection (6), the board shall prioritize institution requests for funding  
221 for nondedicated projects based on:  
222 (i) capital facility need;  
223 (ii) utilization of facilities;  
224 (iii) maintenance and condition of facilities; and  
225 (iv) any other factor determined by the board.
- 226 (b) The board shall establish how the board will prioritize institution requests for  
227 funding for nondedicated projects, including:  
228 (i) how the board will measure each factor described in Subsection (5)(a); and  
229 (ii) procedures for prioritizing requests.
- 230 (6)(a) Subject to Subsection (6)(b), and in accordance with Subsection (5), the board  
231 may annually prioritize:  
232 (i) up to three nondedicated projects if the ongoing appropriation to the fund is less

- 233 than \$50,000,000;
- 234 (ii) up to two nondedicated projects if the ongoing appropriation to the fund is at least
- 235 \$50,000,000 but less than \$100,000,000; or
- 236 (iii) one nondedicated project if the ongoing appropriation to the fund is at least
- 237 \$100,000,000.

238 (b) For each calendar year, the dollar amounts described in Subsection (6)(a) shall be

239 adjusted by an amount equal to the percentage difference between:

- 240 (i) the Consumer Price Index for the 2019 calendar year; and
- 241 (ii) the Consumer Price Index for the previous calendar year.

242 (7)(a) A degree-granting institution may request operations and maintenance funds for a

243 capital development project approved under this section.

244 (b) A degree-granting institution shall make the request described in Subsection (7)(a) at

245 the same time the degree-granting institution submits the proposal described in

246 Subsection (2).

247 (c) The Legislature shall consider a degree-granting institution's request described in

248 Subsection (7)(a).

249 (8) After a degree-granting institution completes a capital development project described in

250 this section, the board shall review the capital development project, including the costs

251 and design of the capital development project.

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

253 **53H-9-604 (Effective 05/06/26). Legislative approval -- Capital development**

254 **projects -- Prioritization.**

255 (1) As used in this section:

256 (a) "Consumer Price Index" means the Consumer Price Index for All Urban Consumers

257 as published by the Bureau of Labor Statistics of the United States Department of

258 Labor.

259 (b) "Fund" means the Technical Colleges Capital Projects Fund created in Section

260 53H-9-605.

261 (2) In accordance with this section, a technical college is required to receive legislative

262 approval in an appropriations act for a dedicated project or a nondedicated project.

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

264 (a) submit to the board a proposal for a funding request for each dedicated project or

265 nondedicated project for which the technical college seeks legislative approval[-] ; and

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

- 267 (i) the name of the project;  
268 (ii) a specification of the intent of the project as a dedicated project or a  
269 non-dedicated project;  
270 (iii) the projected cost of the project and the sources of funding, including internal  
271 funds, requested legislative appropriations, matching funds, or debt;  
272 (iv) a budget for the project, including:  
273 (A) any land cost;  
274 (B) architecture and engineering costs;  
275 (C) any impact fees;  
276 (D) horizontal development costs, including infrastructure and site work;  
277 (E) vertical construction costs;  
278 (F) furniture costs;  
279 (G) any plan to fund future operations, maintenance, and staffing costs;  
280 (H) financing costs;  
281 (I) construction management, project management, or other administrative costs;  
282 and  
283 (J) costs associated with the demolition or remodeling of existing space;  
284 (v) a rendering of the project;  
285 (vi) a narrative explaining the use of the facility, including the facility's expected life  
286 span;  
287 (vii) a facility utilization analysis demonstrating that the existing facilities are  
288 inadequate to serve the program or function for which the institution is seeking  
289 funding; and  
290 (viii) the amount of square feet of the project, including a breakdown of the uses of  
291 the space by square footage, including any:  
292 (A) classroom space;  
293 (B) lab space;  
294 (C) office space;  
295 (D) meeting room space;  
296 (E) entertainment space;  
297 (F) residential space;  
298 (G) garage or storage space;  
299 (H) mechanical space; and  
300 (I) common areas, including any atrium, stairway, restroom, or commons.

- 301 (4) The board shall:
- 302 (a) review each proposal submitted under Subsection (3) to ensure that the proposal
- 303 complies with Section 53H-9-603;
- 304 (b) based on the results of the board's review under Subsection (4)(a), create:
- 305 (i) a list of approved dedicated projects, prioritized in accordance with Subsection (6);
- 306 and
- 307 (ii) a list of approved nondedicated projects, prioritized in accordance with
- 308 Subsection (6); and
- 309 (c) submit the lists described in Subsection (4)(b), including the relevant proposals, to:
- 310 (i) the governor;
- 311 [~~(ii) the Transportation and Infrastructure Appropriations Subcommittee;~~]
- 312 [~~(iii)~~] (ii) the Higher Education Appropriations Subcommittee; and
- 313 [~~(iv)~~] (iii) the Division of Facilities Construction and Management for a:
- 314 (A) recommendation, for the list described in Subsection (4)(b)(i); or
- 315 (B) recommendation and prioritization, for the list described in Subsection
- 316 (4)(b)(ii).
- 317 (5) A dedicated project:
- 318 (a) is subject to the recommendation of the Division of Facilities Construction and
- 319 Management as described in Section 63A-5b-403; and
- 320 (b) is not subject to the prioritization of the Division of Facilities Construction and
- 321 Management as described in Section 63A-5b-403.
- 322 (6)(a) Subject to Subsection (7), the board shall prioritize funding requests for capital
- 323 development projects described in this section based on:
- 324 (i) growth and capacity;
- 325 (ii) effectiveness and support of critical programs;
- 326 (iii) cost effectiveness;
- 327 (iv) building deficiencies and life safety concerns; and
- 328 (v) alternative funding sources.
- 329 (b) The board shall establish:
- 330 (i) how the board will measure each factor described in Subsection (6)(a); and
- 331 (ii) procedures for prioritizing funding requests for capital development projects
- 332 described in this section.
- 333 (7)(a) Subject to Subsection (7)(b), and in accordance with Subsection (6), the board
- 334 may annually prioritize:

- 335 (i) up to three nondedicated projects if the ongoing appropriation to the fund is less  
 336 than \$7,000,000;
- 337 (ii) up to two nondedicated projects if the ongoing appropriation to the fund is at least  
 338 \$7,000,000 but less than \$14,000,000; or
- 339 (iii) one nondedicated project if the ongoing appropriation to the fund is at least  
 340 \$14,000,000.

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

- 343 (i) the Consumer Price Index for the 2019 calendar year; and  
 344 (ii) the Consumer Price Index for the previous calendar year.

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

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

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

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

352 **63A-5b-102 (Effective 05/06/26). Definitions.**

353 As used in this chapter:

- 354 (1) "Capitol hill" means the same as that term is defined in Section 63O-1-101.
- 355 (2) "Compliance agency" means the same as that term is defined in Section 15A-1-202.
- 356 (3) "Director" means the division director, appointed under Section 63A-5b-302.
- 357 (4) "Division" means the Division of Facilities Construction and Management created in  
 358 Section 63A-5b-301.
- 359 (5) "Institution of higher education" means the same as that term is defined in Section  
 360 53H-1-101.
- 361 (6) "Program document" means a final document that contains programming information.
- 362 (7) "Programming" means services to define the scope and purpose of an anticipated  
 363 project, and may include:
- 364 (a) researching criteria applicable to the scope and purpose of an anticipated project;
- 365 (b) identifying the scale of the project and the type of facilities and the level of  
 366 specialized functions that will be required;
- 367 (c) identifying and prioritizing values and goals that will impact the project, including  
 368 institutional purposes, growth objectives, and cultural, technological, temporal,

- 369 aesthetic, symbolic, economic, environmental, safety, sustainability, and other  
 370 relevant criteria;
- 371 (d) evaluating functional efficiency, user comfort, building economics, environmental  
 372 sustainability, and visual quality;
- 373 (e) identifying objectives for the project, including such elements as image, efficiencies,  
 374 functionality, cost, and schedule;
- 375 (f) identifying and evaluating the constraints that will have an impact on the project such  
 376 as legal requirements, financial constraints, location, access, visibility, and building  
 377 services;
- 378 (g) developing standards such as area allowances, space allocation, travel distances, and  
 379 furniture and equipment requirements;
- 380 (h) establishing general space quality standards related to such elements as lighting  
 381 levels, equipment performance, acoustical requirements, security, and aesthetics;
- 382 (i) identifying required spaces;
- 383 (j) establishing sizes and relationships;
- 384 (k) establishing space efficiency factors or the ratio of net square footage to gross square  
 385 footage; and
- 386 (l) documenting particular space requirements such as special HVAC, plumbing, power,  
 387 lighting, acoustical, furnishings, equipment, or security needs.

388 [(6)] (8) "Trust lands administration" means the School and Institutional Trust Lands  
 389 Administration established in Section 53C-1-201.

390 [(7)] (9) "Utah Board of Higher Education" means the Utah Board of Higher Education  
 391 established in Section 53H-1-203.

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

393 **63A-5b-402 (Effective 05/06/26). Capital development process -- Approval**  
 394 **requirements.**

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

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

401 (2)(a) An agency may request an appropriation for the programming of a capital  
 402 development project by submitting the request to the division for transmittal to the

- 403 Legislature.
- 404 (b) An agency may, but is not required to, submit a completed feasibility study in
- 405 connection with a request described in Subsection (2)(a).
- 406 (c) An agency may request an appropriation for the design and construction of a capital
- 407 development project by submitting the request and a program document to the
- 408 division for transmittal to the Legislature.
- 409 (3) The division may not transmit to the Legislature a request described in Subsection (2)(c)
- 410 unless the agency submits a program document for the capital development project.
- 411 ~~[(3)]~~ (4)(a) The division shall, in accordance with Title 63G, Chapter 3, Utah
- 412 Administrative Rulemaking Act, make rules that establish standards and
- 413 requirements for~~[a capital development project request and feasibility study.]~~ :
- 414 (i) a capital development project; and
- 415 (ii) if submitted, a feasibility study.
- 416 (b) The rules shall include:
- 417 (i) a deadline by which an agency is required to submit a capital development project
- 418 request;
- 419 (ii) conditions under which an agency may modify the agency's capital development
- 420 project request after the agency submits the request, and requirements applicable
- 421 to a modification; and
- 422 (iii) requirements for the contents of a feasibility study, including:
- 423 (A) the need for the capital development project;
- 424 (B) the appropriateness of the scope of the capital development project;
- 425 (C) any private funding for the capital development project;~~[-and]~~
- 426 (D) the economic and community impacts of the capital development project~~[-]~~ ;
- 427 (E) a space utilization plan developed in accordance with rules made by the
- 428 division under Title 63G, Chapter 3, Utah Administrative Rulemaking Act; and
- 429 (F) a capital budget estimate approved by the division.
- 430 ~~[(4)]~~ (5) The division shall verify the completion and accuracy of a feasibility study or
- 431 program document that an agency submits under Subsection (2) prior to submitting
- 432 capital development project recommendations and priorities under Subsection (1).
- 433 Section 7. Section **63A-5b-501** is amended to read:
- 434 **63A-5b-501 (Effective 05/06/26). Five-year building plan.**
- 435 (1) The director shall:
- 436 (a) in cooperation with agencies, prepare a master plan of structures built or

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

471 component replacement over the life of the building; and

472 (G) the estimated cost of any required support facilities.

473 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
474 director may make rules prescribing the format for submitting the information  
475 required by this Subsection (2).

476 (3) To provide adequate information to enable the director to make a recommendation  
477 described in Subsection (1), an agency requesting new full-time employees for the next  
478 fiscal year shall report those anticipated requests to the director at least 90 days before  
479 the annual general session in which the request is made.

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

481 **63A-5b-502 (Effective 05/06/26). Programming.**

482 [(1) As used in this section:]

483 [(a) "Program document" means a final document that contains programming  
484 information.]

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

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

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

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

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

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

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

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

503 [(viii) establishing general space quality standards related to such elements as  
504 lighting levels, equipment performance, acoustical requirements, security, and

505                   aesthetics;]  
 506                   [(ix) identifying required spaces;]  
 507                   [(x) establishing sizes and relationships;]  
 508                   [(xi) establishing space efficiency factors or the ratio of net square footage to gross  
 509                   square footage; and]  
 510                   [(xii) documenting particular space requirements such as special HVAC, plumbing,  
 511                   power, lighting, acoustical, furnishings, equipment, or security needs.]

512 [(2)] (1) A program document may:

- 513           (a) incorporate written and graphic materials; and  
 514           (b) include:
- 515               (i) an executive summary;
  - 516               (ii) documentation of the methodology used to develop the programming;
  - 517               (iii) value and goal statements;
  - 518               (iv) relevant facts upon which the programming was based;
  - 519               (v) conclusions derived from data analysis;
  - 520               (vi) relationship diagrams;
  - 521               (vii) flow diagrams;
  - 522               (viii) matrices identifying space allocations and relationships;
  - 523               (ix) space listings by function and size; and
  - 524               (x) space program sheets, including standard requirements and special HVAC,  
 525               plumbing, power, lighting, acoustical, furnishings, equipment, or security needs.

526 [(3)] (2) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
 527 director may make rules:

- 528           (a) establishing the types of projects for which programming and a program document  
 529           are required;
- 530           (b) establishing the scope of programming required for defined categories of projects;
- 531           (c) establishing the circumstances under which an agency must obtain authorization  
 532           from the director to engage in programming;
- 533           (d) governing the funding of programming;
- 534           (e) relating to the administration of programming; and
- 535           (f) regarding any restrictions that may be imposed on a person involved in programming  
 536           from participating in the preparation of construction documents for a project that is  
 537           the subject of the programming.

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

539           **63A-5b-602 (Effective 05/06/26). Design criteria, standards, and procedures.**

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

544           (a) the need for the facility;

545           (b) the effectiveness of the facility's design;

546           (c) the efficiency of energy use; and

547           (d) the usefulness of the facility over the facility's lifetime.

548           (2) Before proceeding with construction, the director and the officials charged with the  
549           administration of the affairs of the particular agency shall approve the location, design,  
550           plans, and specifications.

551           (3) The director shall prepare or have prepared by one or more private persons the designs,  
552           plans, and specifications for the projects administered by the division.

553           (4) Before construction may begin, the director shall review the design of projects  
554           exempted from the division's administration under Section 63A-5b-604 to determine if  
555           the design:

556           (a) complies with any restrictions placed on the project by the director; and

557           (b) is appropriate for the purpose and setting of the project.

558           (5) Notwithstanding the requirements of Title 63J, Chapter 1, Budgetary Procedures Act,  
559           the director may:

560           (a) accelerate the design of a project funded by an appropriation act passed by the  
561           Legislature in the Legislature's annual general session;

562           (b) use an unencumbered existing account balance to fund that design work; and

563           (c) reimburse the account balance from the amount funded for the project when the  
564           appropriation act funding the project becomes effective.

565           (6) If the director establishes design criteria or standards that exceed the minimum  
566           requirements of the State Construction Code adopted under Title 15A, State  
567           Construction and Fire Codes Act, the director shall ensure that the additional criteria or  
568           standards are:

569           (a) appropriate for the intended use and setting of the facility; and

570           (b) cost-effective over the expected useful life of the facility.

571           Section 10. Section **63A-5b-604** is amended to read:

572           **63A-5b-604 (Effective 05/06/26). Construction, alteration, and repair of state**

573 **facilities -- Powers of director -- Exceptions -- Expenditure of appropriations --**  
574 **Compliance agency role.**

- 575 (1)(a) Except as provided in this section and Section 63A-5b-1101, the director shall  
576 exercise direct supervision over the design and construction of all new facilities, and  
577 all alterations, repairs, and improvements to existing facilities, if the total project  
578 construction cost, regardless of the funding source, is greater than [~~\$100,000~~]  
579 \$1,500,000.
- 580 (b) [~~A~~] Subject to Subsections (1)(c) and (d), a state entity may exercise direct  
581 supervision over the design and construction of all new facilities, and over all  
582 alterations, repairs, and improvements to existing facilities, if:
- 583 (i) except as provided in Subsection (1)(e), the total project construction cost[;  
584 regardless of the funding sources, is \$100,000 or less] :
- 585 (A) is \$1,500,000 or less; and
- 586 (B) the project is not funded, in whole or in part, as a capital improvement project  
587 under Section 63A-5b-405; and
- 588 (ii) the state entity assures compliance with the division's forms and contracts and the  
589 division's design, construction, alteration, repair, improvement, and code  
590 inspection standards.
- 591 (c) Before exercising direct supervision under Subsection (1)(b), a state entity shall enter  
592 into a memorandum of understanding with the division, in a form developed by the  
593 division, that addresses:
- 594 (i) the state entity's compliance with Subsection (1)(b)(ii); and
- 595 (ii) other matters the division considers necessary and appropriate to facilitate the  
596 state entity's supervision of the project.
- 597 (d) The director may assume direct supervision over the design and construction of a  
598 project described in Subsection (1)(b) if the division determines, through inspection  
599 or review conducted in accordance with the division's design, construction, or code  
600 inspection standards, that the work is deficient, substandard, or noncompliant.
- 601 (e) For purposes of Subsection (1)(b)(i), a state entity that is an institution of higher  
602 education described in Subsection 53H-1-102(1)(a) or (b) may exercise direct  
603 supervision if the total project construction cost is:
- 604 (i) \$30,000,000 or less for the University of Utah;
- 605 (ii) \$10,000,000 or less for Utah State University;
- 606 (iii) \$2,500,000 or less for a university described in Subsections 53H-1-102(1)(a)(iii),

- 607                    (iv), (vi), or (vii); or  
608                    (iv) \$1,000,000 or less for:  
609                    (A) Snow College;  
610                    (B) Salt Lake Community College; or  
611                    (C) a technical college described in Subsection 53H-1-102(1)(b).  
612                    (f) A state entity that exercises direct supervision under Subsection (1)(b) may not  
613                    access, for the supervised project, the division's statewide contingency reserve or  
614                    project reserve authorized in Section 63A-5b-609.
- 615                    (2) The director may enter into a capital improvement partnering agreement with an  
616                    institution of higher education that permits the institution of higher education to exercise  
617                    direct supervision for a capital improvement project with oversight from the division.
- 618                    (3)(a) Subject to Subsection (3)(b), the director may delegate control over design,  
619                    construction, and other aspects of any project to entities of state government on a  
620                    project-by-project basis.
- 621                    (b) With respect to a delegation of control under Subsection (3)(a), the director may:  
622                    (i) impose terms and conditions on the delegation that the director considers  
623                    necessary or advisable to protect the interests of the state; and  
624                    (ii) revoke the delegation and assume control of the design, construction, or other  
625                    aspect of a delegated project if the director considers the revocation and  
626                    assumption of control to be necessary to:  
627                    (A) address a circumstance described in Subsection (1)(d); or  
628                    (B) otherwise protect the interests of the state.
- 629                    (4)(a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
630                    the director may delegate control over design, construction, and all other aspects of  
631                    any project to entities of state government on a categorical basis for projects within a  
632                    particular dollar range and a particular project type.
- 633                    (b) Rules adopted by the director under Subsection (4)(a) may:  
634                    (i) impose the terms and conditions on categorical delegation that the director  
635                    considers necessary or advisable to protect the interests of the state;  
636                    (ii) provide for the revocation of the delegation on a categorical basis and for the  
637                    division to assume control of the design, construction, or other aspect of a  
638                    category of delegated projects or a specific delegated project if the director  
639                    considers revocation of the delegation and assumption of control to be necessary  
640                    to protect the interests of the state;

- 641 (iii) require that a categorical delegation be renewed by the director on an annual  
642 basis; and
- 643 (iv) require the division's oversight of delegated projects.
- 644 (5)(a) A state entity to which project control is delegated under this section shall:
- 645 (i) assume fiduciary control over project finances;
- 646 (ii) assume all responsibility for project budgets and expenditures; and
- 647 (iii) receive all funds appropriated for the project, including any contingency funds  
648 contained in the appropriated project budget.
- 649 (b) Notwithstanding a delegation of project control under this section, a state entity to  
650 which control is delegated is required to comply with the division's codes and  
651 guidelines for design and construction.
- 652 (c) A state entity to which project control is delegated under this section may not access,  
653 for the delegated project, the division's statewide contingency reserve and project  
654 reserve authorized in Section 63A-5b-609.
- 655 (d) For a facility that will be owned, operated, maintained, and repaired by an entity that  
656 is not an agency and that is located on property that the state owns or leases as a  
657 tenant, the director may authorize the facility's owner to administer the design and  
658 construction of the project relating to that facility.
- 659 (6)(a) A project for the construction of a new facility and a project for alterations,  
660 repairs, and improvements to an existing facility are not subject to Subsection (1) if  
661 the project:
- 662 (i) occurs on property under the jurisdiction of the State Capitol Preservation Board;
- 663 (ii) is within a designated research park at the University of Utah or Utah State  
664 University;
- 665 (iii) occurs within the boundaries of This is the Place State Park and is administered  
666 by This is the Place Foundation; or
- 667 (iv) is for the creation and installation of art under Title 9, Chapter 6, Part 4, Utah  
668 Percent-for-Art Act.
- 669 (b) Notwithstanding Subsection (6)(a)(iii), the This is the Place Foundation may request  
670 the director to administer the design and construction of a project within the  
671 boundaries of This is the Place State Park.
- 672 (7)(a) The role of compliance agency under Title 15A, State Construction and Fire  
673 Codes Act, shall be filled by:
- 674 (i) the director, for a project administered by the division;

- 675 (ii) the entity designated by the State Capitol Preservation Board, for a project under  
 676 Subsection (6)(a)(i);
- 677 (iii) the local government, for a project that is:  
 678 (A) not subject to the division's administration under Subsection (6)(a)(ii); or  
 679 (B) administered by This is the Place Foundation under Subsection (6)(a)(iii);
- 680 (iv) the compliance agency designated by the director, for a project under Subsection  
 681 (2), (3), (4), or (5)(d); and
- 682 (v) for the installation of art under Subsection (6)(a)(iv), the entity that is acting as  
 683 the compliance officer for the balance of the project for which the art is being  
 684 installed.
- 685 (b) A local government acting as the compliance agency under Subsection (7)(a)(iii)  
 686 may:
- 687 (i) only review plans and inspect construction to enforce the state construction code  
 688 or an approved code under Title 15A, State Construction and Fire Codes Act; and
- 689 (ii) charge a building permit fee of no more than the amount the local government  
 690 could have charged if the land upon which the improvements are located were not  
 691 owned by the state.
- 692 (8)(a) The zoning authority of a local government under Title 10, Chapter 20, Municipal  
 693 Land Use, Development, and Management Act, or Title 17, Chapter 79, County Land  
 694 Use, Development, and Management Act, does not apply to the use of property that  
 695 the state owns or any improvements constructed on property that the state owns,  
 696 including improvements constructed by an entity other than a state entity.
- 697 (b) A state entity controlling the use of property that the state owns shall consider any  
 698 input received from a local government in determining how the property is to be used.
- 699 Section 11. Section **63A-5b-609** is amended to read:
- 700 **63A-5b-609 (Effective 05/06/26). Expenditure of appropriated funds supervised**  
 701 **by director -- Contingencies -- Disposition of project reserve funds -- Set aside for Utah**  
 702 **Percent-for-Art Program.**
- 703 (1) The director shall:
- 704 (a)(i) supervise the expenditure of funds in providing plans, engineering  
 705 specifications, sites, and construction of the buildings for which legislative  
 706 appropriations are made; and
- 707 (ii) specifically allocate money appropriated if more than one project is included in  
 708 any single appropriation without legislative directive;

- 709 (b)(i) expend the amount necessary from appropriations for planning, engineering,  
710 and architectural work; and
- 711 (ii)(A) allocate amounts from appropriations necessary to cover expenditures  
712 previously made from the planning fund under Section 63A-5b-503 in the  
713 preparation of plans, engineering, and specifications; and
- 714 (B) return the amounts described in Subsection (1)(b)(ii)(A) to the planning fund;  
715 and
- 716 (c) hold in a statewide contingency reserve the amount budgeted for contingencies:  
717 (i) in appropriations for the construction or remodeling of facilities; and  
718 (ii) that are over and above all amounts obligated by contract for planning,  
719 engineering, architectural work, sites, and construction contracts.
- 720 (2)(a) The director shall base the amount budgeted for contingencies on a sliding scale  
721 percentage of the construction cost ranging from:  
722 (i) 4.5% to 6.5% for new construction; and  
723 (ii) 6% to 9.5% for remodeling projects.
- 724 (b) The director shall hold the statewide contingency funds to cover:  
725 (i) costs of change orders; and  
726 (ii) unforeseen, necessary costs beyond those specifically budgeted for the project.
- 727 (c)[(†)] The Legislature shall annually review the percentage and the amount held in  
728 the statewide contingency reserve.
- 729 [~~(ii) The Legislature may reappropriate to other building needs, including the cost of  
730 administering building projects, any amount from the statewide contingency  
731 reserve that is in excess of the reserve required to meet future contingency needs.]~~
- 732 (d) If any amount from the statewide contingency reserve is in excess of the amount  
733 required to meet future contingency needs, the Legislature:
- 734 (i) may reappropriate the excess amount to other building needs, including the cost of  
735 administering building projects;
- 736 (ii) may transfer the excess amount to the General Fund or the Income Tax Fund, in  
737 proportion to the amounts originally appropriated from each fund for the projects  
738 to which the excess amount is attributable; or
- 739 (iii) if the excess amount is attributable to an appropriation for the programming or  
740 design and construction of a project described in Title 53H, Chapter 9, Part 5,  
741 General Capital Developments, or Title 53H, Chapter 9, Part 6, Technical College  
742 Leasing and Capital Development, shall, instead of taking the action described in

- 743                    Subsection (2)(d)(i) or (ii), transfer the excess amount, as applicable, to:  
744                    (A) the Higher Education Capital Projects Fund, created in Section 53H-9-502; or  
745                    (B) the Technical Colleges Capital Projects Fund, created in Section 53H-9-605.
- 746 (3)(a) The director shall hold in a separate project reserve state appropriated funds  
747 accrued through bid savings and project residual.
- 748 (b) The director shall account for the funds accrued under Subsection (3)(a) in separate  
749 accounts as follows:
- 750                    (i) bid savings and project residual from a capital improvement project, as defined in  
751                    Section 63A-5b-401; and
- 752                    (ii) bid savings and project residual from a capital development project, as defined in  
753                    Section 63A-5b-401.
- 754 (c) The director may use project reserve funds in the account described in Subsection  
755 (3)(b)(i) for a capital improvement project:
- 756                    (i) approved under Section 63A-5b-405; and  
757                    (ii) for which funds are not allocated.
- 758 (d) The director may:
- 759                    (i) authorize the use of project reserve funds in the accounts described in Subsection  
760                    (3)(b) for the award of contracts in excess of a project's construction budget if the  
761                    use is required to meet the intent of the project;
- 762                    (ii) transfer money from the account described in Subsection (3)(b)(i) to the account  
763                    described in Subsection (3)(b)(ii) if a capital development project has exceeded its  
764                    construction budget; and
- 765                    (iii) use project reserve funds for any emergency capital improvement project,  
766                    whether or not the emergency capital improvement project is related to a project  
767                    that has exceeded its construction budget.
- 768 (e) The director shall report to the Office of the Legislative Fiscal Analyst within 30  
769 days:
- 770                    (i) an expenditure under Subsection (3)(c); or  
771                    (ii) a transfer under Subsection (3)(d).
- 772 (f) The Legislature shall annually review the amount held in the project reserve for  
773 possible reallocation by the Legislature to other building needs, including the cost of  
774 administering building projects.
- 775 (4) If any part of the appropriation for a building project, other than the part set aside for the  
776 Utah Percent-for-Art Program under Title 9, Chapter 6, Part 4, Utah Percent-for-Art Act,

777 remains unencumbered after the award of construction and professional service contracts  
778 and establishing a reserve for fixed and moveable equipment, the balance of the  
779 appropriation is dedicated to the project reserve and does not revert to the General Fund.

780 (5)(a)(i) One percent of the amount appropriated for the construction of any new state  
781 building or facility may be appropriated and set aside for the Utah Percent-for-Art  
782 Program administered by the Division of Fine Arts under Title 9, Chapter 6, Part  
783 4, Utah Percent-for-Art Act.

784 (ii) The total amount appropriated and set aside under Subsection (5)(a)(i) may not  
785 exceed:

786 (A) \$200,000, if the new state building or facility is not located in a county of the  
787 first class; and

788 (B) \$250,000, if the new state building or facility is located in a county of the first  
789 class.

790 (b) The director shall release to the Division of Fine Arts any funds included in an  
791 appropriation to the division that are designated by the Legislature for the Utah  
792 Percent-for-Art Program.

793 (c) Funds from appropriations for a state building or facility may not be set aside:

794 (i) if any part of the funds is derived from the issuance of bonds; and

795 (ii) to the extent the set aside of funds would jeopardize the federal income tax  
796 exemption otherwise allowed for interest paid on bonds.

797 (6)(a) After funds are appropriated for a non-dedicated project of an institution of higher  
798 education, but before construction begins, the director may approve a modification to  
799 the design of the project if:

800 (i) the modification is requested by the institution of higher education; and

801 (ii) the modification does not result in a material reduction in the scope or intended  
802 use of the project.

803 (b) If a modification approved under Subsection (6)(a) results in a reduction to the  
804 amount appropriated for construction, the director shall distribute the resulting cost  
805 savings as follows:

806 (i) an amount, as determined by the director, not to exceed 50% of the cost savings:

807 (A) for a degree-granting institution described in Subsection 53H-1-102(1)(a), to  
808 the institution's allocation within the Higher Education Capital Projects Fund;

809 or

810 (B) for a technical college described in Subsection 53H-1-102(1)(b), to the

811 technical college for use on a capital improvement project; and  
812 (ii) the remaining amount to the state, to be deposited into the General Fund or the  
813 Income Tax Fund in proportion to the amounts originally appropriated from each  
814 fund for the project.

815 (c) Cost savings allocated under Subsection (6)(b) are not bid savings or project residual  
816 under Subsection (3).

817 Section 12. **Effective Date.**

818 This bill takes effect on May 6, 2026.