



UTAH STATE LEGISLATURE

LEGISLATIVE MANAGEMENT COMMITTEE

Utah State Senate
Utah House of Representatives

May 6, 2020

David C. Damschen
Utah State Treasurer
Secretary, State Bonding Commission
Utah State Capitol Complex
350 N State Street, Suite 180
Salt Lake City, Utah 84114-2315

RE: Recommendation of the Legislative Management Committee

Dear Treasurer Damschen:

This letter responds to your April 23, 2020 request for a recommendation from the Legislative Management Committee (LMC) in order for you to issue bonds for the prison project.

Because of recent actions by the Legislature, we feel confident in concluding that you have an affirmative recommendation from LMC to issue the bonds. Further, we concur with your plan to use the remaining \$350,015,161 of unused authorization, to price the bonds on May 19, 2020, and to close the transaction on June 3, 2020.

The Legislature recently met in special session and on April 16, 2020, unanimously approved 1st Substitute H.B. 3001. The unanimous vote in the affirmative on H.B. 3001 included all members of LMC from both the House and Senate. This bill allows the State Bonding Commission to issue certain general obligation bonds that would result in the total current outstanding general obligation debt of the state exceeding the 50% limitation described in the Utah Constitution.

Passage of this bill, and the subsequent issue of bonds for authorized projects previously funded via direct appropriations, frees up cash that the Legislature may use in future budgets and opens the door for the issuance of bonds for the prison project per your letter. Consequently, in our view, approval of H.B. 3001 provides you with the recommendation that you need to proceed as you outlined.

If you have concerns or questions about this recommendation, please contact John Cannon and John Fellows, staff for LMC.

Respectfully,

Brad R. Wilson
Speaker of the House
Chair, Legislative Management Committee

J. Stuart Adams
Senate President
Vice Chair, Legislative Management Committee

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