



Fiscal Note

H.B. 3001

2020 Third Special Session
Bond Amendments
by Last, B.



General, Education, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$(46,000,000)	\$30,000,000	\$(16,000,000)

State Government

UCA 36-12-13(2)(c)

Revenues	FY 2020	FY 2021	FY 2022
Total Revenues	\$0	\$0	\$0

Enactment of this legislation likely will not materially impact state revenue.

Expenditures	FY 2020	FY 2021	FY 2022
General Fund	\$0	\$46,000,000	\$46,000,000
General Fund, One-time	\$0	\$(30,000,000)	\$0
Transportation Investment Fund of 2005	\$0	\$8,000,000	\$13,000,000
Total Expenditures	\$0	\$24,000,000	\$59,000,000

Enactment of this legislation allows the State to issue certain general obligation (GO) bonds that are already authorized. Although this legislation does not approve any new debt, it could accelerate issuance of already authorized bonds for prison construction and transportation projects. Assuming that prior to July 1, 2020 the State issues approximately \$350 million in bonds for prison construction and \$177 million in bonds for transportation projects at projected market interest rates: 1) Total outstanding GO debt of the state would be about 50.7 percent of the current constitutional debt limit. 2) True interest costs for the newly issued bonds could be about a) \$16 million to \$17 million from the General Fund for prison construction with principal repayment over eight years and b) \$27 million to \$28 million from sales tax revenue for transportation projects with principal repayment over 15 years. 3) Debt service payments for the newly issued bonds could be about a) \$16 million in FY 2021, \$46 million to \$47 million annually from FY 2022 through FY 2027, \$58 million in FY 2028, and \$14 million in FY 2029 from the General Fund for prison construction; and b) \$8 million in FY 2021 and \$13 million annually from FY 2022 through FY 2036 for transportation projects (debt service payments for FY 2021 and FY 2022 are shown in the table below).

	FY 2020	FY 2021	FY 2022
Net All Funds	\$0	\$(24,000,000)	\$(59,000,000)

Local Government

UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct, measurable costs for local governments.

Individuals & Businesses

UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct expenditures from tax or fee changes for Utah residents and businesses.

Regulatory Impact

UCA 36-12-13(2)(d)

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

Performance Note

JR4-2-404

No performance note required for this bill

Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.