

## **Title 63B. Bonds**

### **Chapter 1 General Provisions**

#### **Part 1 Definitions**

##### **63B-1-101 Definitions.**

As used in this title:

- (1) "Bond anticipation note" means:
  - (a) any financing note issued according to the procedures and requirements of this title in anticipation of the receipt of the proceeds of the sale of the bonds authorized under this title; and
  - (b) any renewal of those notes.
- (2) "Bonds" means any bonds, bond anticipation notes, or other obligations authorized under this title for which the full faith, credit, and resources and ad valorem taxing power of the state have been pledged for the payment of the principal of and interest on the bonds.
- (3) "Capital project" means any land, building, facility, highway, improvement, equipment, or other property, or combination of them, that the state of Utah or any of its agencies, divisions, institutions, or other administrative subunits are authorized by law to acquire or construct.
- (4) "Commission" means the State Bonding Commission created in Section 63B-1-201.
- (5) "Division" means the Division of Facilities Construction and Management.
- (6) "Sinking fund" means the fund or account established as provided in this title to hold money to pay the principal and interest on each series of bonds as they become due.

Amended by Chapter 421, 2022 General Session

#### **Part 2 Bonding Commission**

##### **63B-1-201 Members -- Powers and duties -- Per diem.**

- (1) There is created a State Bonding Commission composed of:
  - (a) the governor;
  - (b) the state treasurer; and
  - (c) a third person appointed by the governor to serve a four-year term, who is a member of a political party different from that of the governor.
- (d) When the at-large position becomes vacant for any reason, the replacement shall be appointed for the unexpired term.
- (2) The commission shall exercise the powers and perform the duties prescribed for the commission by statute.
- (3) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:
  - (a) Section 63A-3-106;
  - (b) Section 63A-3-107; and
  - (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

Amended by Chapter 286, 2010 General Session

**63B-1-202 Bond legislation to contain operation cost estimates of funded projects.**

- (1) As used in this section, "capital projects" means buildings but does not include highways, roads, or capital improvements to buildings.
- (2) All legislation authorizing the commission to issue bonds for the acquisition and construction of capital projects shall contain an estimate of the annual amount of funds necessary to operate and maintain each capital project.
- (3) If any operations and maintenance costs estimates required by this section are omitted from any legislation authorizing the commission to issue bonds, that omission does not affect the authority of the commission to issue bonds.

Enacted by Chapter 304, 1993 General Session

**Part 3**  
**State Building Ownership Authority Act**

**63B-1-301 Title.**

This part shall be known as the "State Building Ownership Authority Act."

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-302 Legislative findings.**

The Legislature finds and declares as follows:

- (1) it is the policy of this state to provide office space and related facilities for state bodies and such other governmental facilities and property, including highways and highway rights-of-way, as may be necessary or desirable, in the most efficient and economical way possible;
- (2) many state bodies are inadequately provided with necessary office space, related facilities, other governmental facilities, and property to serve the public welfare;
- (3) the state is renting space for state bodies in privately owned buildings with funds which could more efficiently and economically be put to use toward the purchase and acquisition of facilities by the state;
- (4) in order to provide for a fully adequate supply of office space, related facilities, other governmental facilities, and property at the lowest possible cost, this Legislature should establish a State Building Ownership Authority for the purpose of financing, owning, leasing, operating, or encumbering such facilities to meet the needs of the state government and to serve the public welfare;
- (5) the foregoing involve public purposes and uses for which public money may be borrowed, expended, advanced, loaned, or granted, the activities specified would serve a public purpose in improving or otherwise benefiting the people of this state and, therefore, this part is in the public interest and is declared to be in the public interest as a matter of express legislative determination; and
- (6) the compelling need within this state for the creation of an adequate supply of office space, related facilities, other government facilities, and property for state bodies at a low cost can be

best met by the establishment of a body corporate and politic vested with the powers and duties specified in this part.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-303 Definitions.**

As used in this part:

- (1) "Acquire or construct," "acquired or constructed," "constructed or acquired," "acquiring or constructing," or "acquisition or construction" means any acquisition, construction, reconstruction, restoration, enlargement, improvement, renovation, repair, replacement, equipping or furnishing, in whole or in part, of a facility.
- (2) "Authority" means the State Building Ownership Authority created by this part.
- (3) "Division" means the Division of Facilities Construction and Management.
- (4)
  - (a) "Facility" or "facilities" means any public building, structure, highway, or property for any governmental purpose of state bodies, and the related and appurtenant easements, rights-of-way, improvements, paving, utilities, landscaping, parking facilities, and the lands, interests in land, and grounds, together with the personal property necessary, convenient, or appurtenant to them.
  - (b) "Facility" includes a golf course.
- (5) "Mortgage" means any mortgage, trust deed, indenture, pledge agreement, assignment, security agreement, financing statement, or other instrument that encumbers property as security for obligations.
- (6)
  - (a) "Obligations" means any mortgage certificates, notes, debentures, interim certificates, revenue bonds, or other evidences of financial indebtedness.
  - (b) "Obligations" does not mean general obligation bonds.
- (7)
  - (a) "State body" or "state bodies" means the state and any department, board, commission, or agency of the state.
  - (b) Except as provided in Subsection (7)(c), "state body" or "state bodies" does not mean colleges and universities.
  - (c) "State body" or "state bodies" includes a college or university when the obligation to be issued will finance the acquisition or construction of research facilities, housing facilities, or student centers at the college or university.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-304 State Building Ownership Authority created -- Members -- Compensation.**

- (1) There is created a body politic and corporate to be known as the State Building Ownership Authority composed of:
  - (a) the governor;
  - (b) the state treasurer; and
  - (c) the executive director of the Department of Government Operations.
- (2) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:
  - (a) Section 63A-3-106;
  - (b) Section 63A-3-107; and

(c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

(3)

- (a) Upon request, the division shall provide staff support to the State Building Ownership Authority.
- (b) The State Building Ownership Authority may seek and obtain independent financial advice, support, and information from the state financial advisor created under Section 67-4-16.

Amended by Chapter 350, 2025 General Session

**63B-1-305 Powers and duties of authority.**

(1) The authority shall have perpetual succession as a body politic and corporate.

(2) The authority may:

- (a) sue and to be sued in its own name;
- (b) have, and alter at will, an official seal;
- (c) contract with experts, advisers, consultants, and agents for needed services;
- (d) with the prior approval of the Legislature, borrow money and issue obligations, including refunding obligations;
- (e) receive and accept aid or contributions from any source, including the United States or this state, in the form of money, property, labor, or other things of value to be held, used and applied to carry out the purposes of this part, subject to the conditions upon which this aid and contributions are made, for any purpose consistent with this part;
- (f) enter into agreements with any department, agency or instrumentality of the United States or this state, financial institutions, or contractors for the purpose of leasing, maintaining, and operating any facility;
- (g) to the extent permitted under its contract with the holders of its obligations, consent to any modification relating to rate of interest, time and payment of any installment of principal or interest, security or any other term of any contract, mortgage, mortgage loan, mortgage loan commitment, contract or agreement of any kind to which it is a party;
- (h) pledge revenues from any facility to secure the payment of obligations relating to that facility, including interest on obligations, and to redeem those obligations;
- (i) cause to be executed mortgages, trust deeds, indentures, pledge agreements, assignments, security agreements, and financing statements encumbering property acquired, or constructed under this part;
- (j) own, lease, operate, and encumber facilities acquired or constructed under this chapter by it or the division;
- (k) exercise the power of eminent domain;
- (l) rent or lease any facility in whole or in part to any state body; and
- (m) have and exercise any other powers or duties that are necessary or appropriate to carry out and effectuate the purposes of this part.

(3)

- (a) The authority shall submit an annual written report of the authority's proceedings to the State Finance Review Commission created in Section 63C-25-201.
- (b) The report shall include:
  - (i) a description of any outstanding money borrowed and obligations issued by the authority, including loan amounts, terms, and security;
  - (ii) facilities funded by the actions of the authority; and
  - (iii) an explanation of why the financing terms and obligations used for a facility are appropriate and in the best interest of the state.

Amended by Chapter 207, 2022 General Session

**63B-1-306 Obligations issued by authority -- Limitation of liability on obligations -- Limitation on amount of obligations issued.**

- (1)
  - (a) All obligations issued by the authority under this part shall be limited obligations of the authority and may not constitute, nor give rise to, a general obligation or liability of, nor a charge against the general credit or taxing power of, this state or any of its political subdivisions.
  - (b) This limitation shall be plainly stated upon all obligations.
- (2)
  - (a) No authority obligations incurred under this section may be issued in an amount exceeding the difference between the total indebtedness of the state and an amount equal to 1-1/2% of the value of the taxable property of the state.
  - (b) Debt issued under authority of the following parts or sections may not be included as part of the total indebtedness of the state of Utah in determining the debt limit established by this Subsection (2):
    - (i) Title 63B, Chapter 6, Part 2, 1997 Highway General Obligation Bond Authorization;
    - (ii) Title 63B, Chapter 6, Part 3, 1997 Highway Bond Anticipation Note Authorization;
    - (iii) Title 63B, Chapter 7, Part 2, 1998 Highway General Obligation Bond Authorization;
    - (iv) Title 63B, Chapter 7, Part 3, 1998 Highway Bond Anticipation Note Authorization;
    - (v) Title 63B, Chapter 8, Part 2, 1999 Highway General Obligation Bond Authorization;
    - (vi) Title 63B, Chapter 8, Part 3, 1999 Highway Bond Anticipation Note Authorization;
    - (vii) Title 63B, Chapter 10, Part 1, 2001 Highway General Obligation Bonds;
    - (viii) Title 63B, Chapter 10, Part 2, 2001 Highway General Obligation Bond Anticipation Notes Authorization;
    - (ix) Title 63B, Chapter 11, Part 5, 2002 Highway General Obligation Bonds for Salt Lake County;
    - (x) Title 63B, Chapter 11, Part 6, 2002 Highway General Obligation Bond Anticipation Notes for Salt Lake County;
    - (xi) Section 63B-13-102;
    - (xii) Section 63B-16-101;
    - (xiii) Section 63B-16-102;
    - (xiv) Section 63B-18-401;
    - (xv) Section 63B-18-402; and
    - (xvi) Title 63B, Chapter 27, Part 1, 2017 Highway General Obligation Bonds.
  - (c) Debt issued under authority of Section 63B-7-503 may not be included as part of the total indebtedness of the state in determining the debt limit established by this Subsection (2).
- (3) The obligations shall be authorized by resolution of the authority, following approval of the Legislature, and may:
  - (a) be executed and delivered at any time, and from time to time, as the authority may determine;
  - (b) be sold at public or private sale in the manner and at the prices, either at, in excess of, or below their face value and at the times that the authority determines;
  - (c) be in the form and denominations that the authority determines;
  - (d) be of the tenor that the authority determines;
  - (e) be in registered or bearer form either as to principal or interest or both;
  - (f) be payable in those installments and at the times that the authority determines;

- (g) be payable at the places, either within or without this state, that the authority determines;
- (h) bear interest at the rate or rates, payable at the place or places, and evidenced in the manner, that the authority determines;
- (i) be redeemable before maturity, with or without premium;
- (j) contain any other provisions not inconsistent with this part that are considered to be for the best interests of the authority and provided for in the proceedings of the authority under which the bonds are authorized to be issued; and
- (k) bear facsimile signatures and seals.

(4) The authority may pay any expenses, premiums, or commissions, that it considers necessary or advantageous in connection with the authorization, sale, and issuance of these obligations, from the proceeds of the sale of the obligations or from the revenues of the projects involved.

Amended by Chapter 64, 2021 General Session

**63B-1-307 Lease of facilities to state bodies -- Rental.**

- (1) The authority and state bodies shall enter into leases or agreements for the use and occupancy of any portion of any facility constructed or acquired under this part.
- (2) The leases or agreements may provide for the operation, maintenance, and insurance of the facility.
- (3) The leases and agreements shall provide that:
  - (a) the rental to be paid annually by each state body to the authority for the use and occupancy is in proportion to the space occupied in the facility by that state body;
  - (b) those rentals shall be in an amount sufficient to completely pay all principal and interest on those obligations as they come due; and
  - (c) those rentals may include:
    - (i) the cost of maintenance, operation, and insurance of those facilities;
    - (ii) the expenses of the authority in administering the facilities under this part;
    - (iii) amounts needed to provide reserves to secure obligations, to maintain, repair, renovate, reconstruct, or replace those facilities; and
    - (iv) any other reserves and funds that the authority considers necessary or advisable in order to sell its obligations.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-308 Payment of obligations out of rentals -- Other governmental entities not liable for payment -- Appropriations for increased rentals -- Defaulting bodies to quit premises.**

- (1) Except as secured as provided in this part:
  - (a) each obligation issued or caused to be issued by the authority, and the interest on that obligation, is payable solely out of rentals or lease payments received by the authority for the facilities constructed or acquired under this part; and
  - (b) each obligation shall state that information on its face.
- (2) Except to the extent that facilities are encumbered, nothing in this part may be construed to:
  - (a) require the state, or any department, board, commission, agency, or political subdivision of the state, other than the authority, to pay any part of any obligation issued or caused to be issued under this part, or any interest on any of those obligations;
  - (b) require the state or any department, board, commission, agency or political subdivision of the state, other than the state body or state bodies leasing any portion of the facilities, to pay any rental due to the authority by any state body under the terms of any lease of facilities; or

- (c) require the Legislature to appropriate any money to pay these obligations, interest, or rentals.
- (3) If the rentals paid by a state body to the authority are insufficient to pay the principal and interest on the obligations or other amounts payable from rentals when due, the governor may request the Legislature to appropriate additional funds to that body for the payment of increased rentals.
- (4) If a state body fails to pay any rentals due to the authority under the terms of any lease or agreement for facilities, that body shall immediately quit and vacate the portion of that facility that it has occupied under that lease or agreement, and the rental or lease obligation under the lease or agreement shall then cease.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-309 Securing of obligations -- Provisions in mortgages given as security -- Procedure upon default.**

- (1) The principal and interest on any obligation issued under this part:
  - (a) shall be secured by a pledge and assignment of the revenues out of which that obligation shall be made payable;
  - (b) may be secured by a mortgage covering all or any part of the facility for which the revenues from the obligation were used;
  - (c) may be secured by a pledge and assignment of the lease of that facility; and
  - (d) may be secured by any other security device on that facility that is considered most advantageous by the authority.
- (2)
  - (a) The proceedings under which the obligations are authorized to be issued under this part and any mortgage given to secure the obligations may contain any agreements and provisions customarily contained in instruments securing obligations, including, but not limited to, provisions respecting:
    - (i) the fixing and collection of rents for any facility covered by the proceedings or mortgage;
    - (ii) the terms to be incorporated in the lease of that facility;
    - (iii) the operation, maintenance, and insurance of that facility;
    - (iv) the creation and maintenance of special reserve or other funds and accounts from the proceeds of sale of obligations or from the revenues of that facility; and
    - (v) the rights and remedies available in the event of a default to the holders of obligations or to the trustee under a mortgage, as the authority may determine in accordance with this part.
  - (b) All these mortgages, trust deeds, security agreements, or trust indentures shall provide that no deficiency judgment upon foreclosure may be entered against the authority, this state, or any of its political subdivisions.
- (3) The proceedings authorizing obligations under this part, and any mortgage securing these obligations, may provide that, if there is a default in the payment of the principal of or the interest on these obligations or in the performance of any agreement contained in the proceedings or mortgage, the payment or performance may be enforced by the appointment of a receiver relative to that facility with power to charge and collect rents and to apply the revenues from the facility in accordance with the proceedings or the provisions of the mortgage.
- (4)
  - (a) Any mortgage made under this part to secure obligations issued pursuant to it may also provide that, in the event of a default in the payment of the mortgage or the violation of any agreement contained in the mortgage, the mortgage may be foreclosed or otherwise realized on in any manner permitted by law.

- (b) The mortgage may also provide that any trustee under the mortgage or the holder of any of the obligations secured by the mortgage may become the purchaser at any foreclosure sale, if that trustee is highest bidder.
- (c) A breach of the agreement does not impose any general obligation or liability upon, nor a charge against, the authority or the general credit or taxing power of this state or any of its political subdivisions.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-310 Proceeds from sale of obligations -- Use.**

- (1) The proceeds from the sale of obligations issued under this part may be applied only for the purposes for which the obligations were issued.
- (2) Any accrued interest and premium received upon the sale, and any portion of the proceeds that may not be needed for the purposes for which the obligations were issued, shall be applied to the payment of the principal of, or the interest on, the obligations.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-311 Cost of acquiring or constructing facility.**

The cost of acquiring or constructing any facility shall be considered to include the following:

- (1) the actual cost of acquiring or improving real estate;
- (2) the actual cost of enlarging, constructing, reconstructing, improving, replacing, restoring, renovating, maintaining, equipping, or furnishing all or any part of a facility, including architects' or engineers' fees; and
- (3) all expenses connected with the authorization, sale, and issuance of the obligations to finance the acquisition or construction, including:
  - (a) fees for outside attorneys or accountants whose opinions are required to secure the issuance of those obligations;
  - (b) financial advisors' fees and commissions;
  - (c) printing costs;
  - (d) those amounts that the authority considers necessary to establish bond reserves and maintenance, repair, replacement, and contingency funds and accounts; and
  - (e) the interest on these obligations for a reasonable time before, during, and for a reasonable period of time after, completion of the acquisition or construction.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-312 Signature of former member or officer of authority -- Continuing validity.**

If any of the members or officers of the authority no longer occupy their position at the time of the delivery of any obligations signed by them, their signatures or facsimiles of their signatures are valid and sufficient for all purposes, as if they had remained in office until that delivery.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-313 Negotiability of obligations -- Registration.**

All obligations of the authority are negotiable instruments within the meaning of, and for all purposes of Title 70A, Uniform Commercial Code, subject only to any provisions of those obligations relating to registration.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-314 Person executing obligations not personally liable.**

No person executing any obligations issued under this part is subject to personal liability or accountability because of the issuance.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-315 Tax exemption.**

- (1) All property acquired or held by the authority under this part is declared to be public property used for essential public and governmental purposes.
- (2) All property and income from it, and all obligations issued under this part, the interest payable on them, and income derived from them, are exempt from all taxation imposed by this state or any of its political subdivisions, except for the corporate franchise tax.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-316 Obligations as legal investments -- Deposit of obligations.**

- (1) The obligations issued under this part are securities in which all persons and organizations authorized to invest in any obligations of this state may properly and legally invest any funds, including capital belonging to them or within their control.
- (2) These obligations are also declared to be securities that may properly and legally be deposited with, and received by, any state, county, or municipal officer, or agency of the state for any purpose for which the deposit of any obligations of the state is authorized by law.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-317 Publication of resolution or other proceeding -- Contest of proceedings -- Mandamus to compel official to sign obligations.**

- (1) The authority may provide for the publication of any resolution it adopts for the authorization of obligations under this part:
  - (a) in one issue of a newspaper having general circulation in this state; and
  - (b) as required in Section 45-1-101.
- (2) In case of resolution or other proceeding providing for the issuance of obligations under this part, the authority may, in lieu of publishing the entire resolution or other proceeding, publish a notice of obligations to be issued, titled as such, containing:
  - (a) the name of the authority;
  - (b) the purpose of the issue;
  - (c) the type of obligations and the principal amount to be issued;
  - (d) the maximum maturity of the obligations;
  - (e) the maximum net effective rate of interest payable on the issue of obligations;
  - (f) the maximum discount from par which is to be permitted if the obligations may be sold at a discount below par value; and
  - (g) the times and place where a copy of the resolution or other proceeding may be examined, during regular business hours, for a period of at least 30 days after the publication of the notice.
- (3)

- (a) For a period of 30 days after the date of publication under Subsection (1) or (2), any interested person may contest the legality of the resolution, of the obligations authorized by it, or any of the provisions made for the security and payment of these obligations.
- (b) After this period, no one shall have any cause of action to contest the regularity, formality, or legality of same for any cause whatsoever, except as provided in Subsection (4).

(4)

- (a) If any official required to sign the obligations refuses to sign them because the official alleges that the obligations to be signed are illegal, the authority may bring an original action in the supreme court for a writ of mandamus requiring the official to sign the obligations.
- (b) Because of the importance of the facilities construction and acquisition program provided for in this part, the Utah Supreme Court shall:
  - (i) give this action precedence over any other matters pending before the court; and
  - (ii) consider and determine these matters at the earliest possible time.

Amended by Chapter 388, 2009 General Session

**63B-1-318 Division duties -- Reimbursement.**

- (1) The division shall:
  - (a) construct, maintain, allocate the space in, and dispose of all facilities acquired or constructed for the authority with the proceeds of obligations of the authority; and
  - (b) do all things necessary to keep those facilities in good order and repair.
- (2) The division may perform all of the duties established in Subsection (1) pursuant to contracts with the authority.
- (3) The division shall be reimbursed for all direct costs of maintenance by the authority from funds derived from rental or lease payments.
- (4) Nothing contained in this part may be construed to limit, supersede, or otherwise change in any way the authority of the division provided in Title 63A, Chapter 5b, Administration of State Facilities.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-319 Legal, accounting, and auditing services.**

- (1) The attorney general shall provide all legal services, and the state auditor shall provide all accounting and auditing services, required by the authority, without reimbursement from that authority.
- (2) Subsection (1) does not apply to attorneys' or accountants' opinions required for the issuance of any obligations.
- (3) The authority may:
  - (a) obtain accounting and auditing services in addition to those specified in Subsections (1) and (2) from outside accountants and auditors, with the consent of the state auditor;
  - (b) obtain legal services in addition to those specified in Subsections (1) and (2) from outside attorneys, with the consent of the attorney general; and
  - (c) include the costs of these services:
    - (i) in the rentals and charges payable to it under leases or agreements between it and state bodies for the use of space in facilities; or
    - (ii) as a cost payable from the proceeds of the sale of obligations for which those services were provided.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-320 State to succeed to property of authority when encumbrances paid or authority dissolved.**

- (1) Each facility shall immediately vest in and become the property of this state when the obligations encumbering it are paid.
- (2) If the authority is dissolved at any time, for any reason, all property of the authority shall immediately vest in and become the property of this state, which shall succeed to all rights of the authority and to any encumbrances which may then exist on any particular facilities, to the extent provided by this part.

Renumbered and Amended by Chapter 86, 2003 General Session

**63B-1-321 Validation of prior obligations.**

All obligations issued by the authority before the effective date of this part and all proceedings had in the authorization and issuance of these obligations and all agreements with respect to them and the security for them are:

- (1) validated, ratified, and confirmed; and
- (2) all these obligations, agreements, and security are declared to constitute legally binding obligations of the authority and all state bodies relating to them in accordance with their terms.

Renumbered and Amended by Chapter 86, 2003 General Session

**Chapter 1a  
Master General Obligation Bond Act**

**Part 1  
Issuance and Refunding of General Obligation Bonds**

**63B-1a-101 Definitions -- Bonds authorized -- Prohibitions -- Purposes -- Maturity -- Use of bonds proceeds.**

- (1) As used in this section:
  - (a) "Cost" includes:
    - (i) all costs related to the authorized capital project, including the cost of equipment and furnishings for, interests in, or improvements necessary, incidental, or convenient to, those capital projects;
    - (ii) all costs incident to the authorization and issuance of bonds;
    - (iii) interest estimated to accrue on bonds during the period to be covered by the acquisition and construction of the capital project and for up to 12 months after that period; and
    - (iv) other amounts that the commission finds necessary to establish reserve funds and to provide working capital related to the capital project.
  - (b) "Taxable property of the state" includes all real and personal property subject to ad valorem taxation within the state, including all property subject to a fee-in lieu of tax.

- (2) When authorized by the Legislature, the commission may, in the manner specified in this chapter, issue bonds to provide funds to the state for the purpose of paying all or part of the cost of designing, acquiring, constructing, improving, or extending:
  - (a) any one or more capital projects; or
  - (b) any interest in one or more or any combination of capital projects.
- (3) Before issuing any bonds, the commission shall determine that the Legislature has:
  - (a) affirmatively authorized the issuance of the bonds; and
  - (b) has specified:
    - (i) for capital projects, the capital projects to be funded; and
    - (ii) the maximum amount of the bonds.
- (4) The commission shall either:
  - (a) comply with any maturity requirements established by the Legislature; or
  - (b) in the absence of any maturity requirements, establish, by resolution, a bond maturity date or dates that are not later than 15 years after the date of delivery of the bonds.
- (5)
  - (a) The commission may not issue bonds under this chapter in an amount that violates the limitation described in the Utah Constitution, Article XIV, Section 1 or payable beyond the period described in the Utah Constitution, Article XIII, Section 5(3).
  - (b) For purposes of applying the debt limitation contained in the Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state as computed from the last assessment for state purposes made before the issuance of the bonds.

Amended by Chapter 173, 2014 General Session

**63B-1a-102 Commission responsibilities -- Manner of issuance -- Plan of financing -- Registration -- Signatures -- Replacement -- Reporting.**

- (1) The commission may determine by resolution:
  - (a) the manner in which bonds issued under this chapter may be authorized, sold, and issued;
  - (b) to issue bonds in one or more series;
  - (c) the amounts, dates, interest rates, including a variable rate or rates, and maturity dates of the bonds;
  - (d) the manner of sale, including public or private sale;
  - (e) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (f) the denominations, registration, exchange, form, including book-entry only, manner of execution, manner of authentication, place and medium of purchase, redemption terms, and tender rights of the bonds; and
  - (g) other provisions and details that it considers appropriate.
- (2) The commission may, by resolution, adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for bond insurance, letters of credit, standby bond purchase agreements, reimbursement agreements, and remarketing, indexing, and tender agent agreements relating to the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3) The commission may provide for the services and payment for the services of one or more financial institutions or other entities, persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book-entry functions, exchange, and payment of the bonds.

- (4) The commission may provide for the calculation and payment to the United States of whatever amounts are necessary to comply with the Internal Revenue Code.
- (5)
  - (a) The commission shall, by resolution, authorize a public official to sign the bonds.
  - (b) That signature may be a facsimile signature of that official that is imprinted, engraved, stamped, or otherwise placed on the bonds.
  - (c) If all signatures of public officials on the bonds are facsimile signatures, the commission shall provide for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
  - (d) If a public official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the public official is nevertheless valid for all purposes.
- (6) The commission may cause a facsimile of the state seal to be imprinted, engraved, stamped, or otherwise placed on the bonds.
- (7) The commission shall provide an annual report of its proceedings to the governor to include in his budget for as long as any bonds issued under this chapter remain outstanding.
- (8)
  - (a) The commission shall submit an annual written report of the commission's proceedings to the State Finance Review Commission created in Section 63C-25-201.
  - (b)
    - (i) The report shall include a description of any outstanding bonds issued by the authority, including loan amounts, terms, and security; and
    - (ii) an explanation of why the loan amounts and terms are appropriate for the project and in the best interest of the state.

Amended by Chapter 207, 2022 General Session

**63B-1a-103 Refunding general obligation bonds.**

- (1) The commission may provide for the refunding of any bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state is considered the public body and the commission is its governing body.

Enacted by Chapter 2, 2003 General Session

**Part 2**  
**Disposition of Proceeds from General Obligation Bonds**

**63B-1a-201 Bonds proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) The commission shall provide that proceeds from the sale of bonds issued under this chapter are deposited within one or more accounts as determined by the commission or by the state treasurer.
  - (b) The state treasurer shall administer and maintain these accounts.
- (2)
  - (a) The state treasurer shall:

- (i) establish the kinds of investments in which the proceeds of bonds issued under this chapter may be invested; and
- (ii) designate where the income from the investment of bond proceeds shall be applied.
- (b) The state treasurer shall apply the income from the investment of proceeds of bonds issued under this chapter as directed by the commission by resolution.
- (3) Upon completion of the purposes for which the bonds were issued, any unexpended proceeds of the bonds issued under this chapter shall be deposited in the related sinking fund unless the commission provides otherwise by resolution.

Enacted by Chapter 2, 2003 General Session

### **Part 3** **General Obligation Bond Repayment Arrangements**

#### **63B-1a-301 Sinking fund -- Creation -- Investment of money.**

- (1) For bonds authorized and issued as provided in this chapter, the commission shall create a sinking fund, to be administered by the state treasurer.
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The commission or the state treasurer may create separate accounts within the sinking fund.
- (4)
  - (a) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund was created.
  - (b) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer:
    - (i) shall deposit all income from the investment of any sinking fund money into the sinking fund; and
    - (ii) may use it for the payment of debt service on the bonds.

Enacted by Chapter 2, 2003 General Session

#### **63B-1a-302 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 2, 2003 General Session

#### **63B-1a-303 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of bonds and until each outstanding bond is retired, there is levied a direct annual tax on all taxable property of the state sufficient to pay principal, interest, and any applicable redemption premiums on each bond as it becomes due.
- (2) The State Tax Commission shall fix the rate of the direct annual tax levy each year.

- (3) The tax shall be collected and the proceeds applied as provided in this chapter.
- (4) The proceeds of all taxes levied under this section are appropriated to the sinking fund established as required by Section 63B-1a-301.
- (5) The direct annual tax imposed under this section is abated to the extent that money is available from sources other than ad valorem taxes in the sinking fund for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 2, 2003 General Session

## **Part 4** **Miscellaneous Provisions Governing General Obligation Bonds**

### **63B-1a-401 Status of bond records -- Compliance with Registered Public Obligations Act.**

- (1) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations are made, are private records as provided in Section 63G-2-302 or protected records as provided in Section 63G-2-305.
- (2) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act.

Amended by Chapter 382, 2008 General Session

### **63B-1a-402 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 2, 2003 General Session

### **63B-1a-403 Tax status -- Exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds is not taxable in Utah for any purpose, except for the corporate franchise tax.

Enacted by Chapter 2, 2003 General Session

## **Part 5** **Challenges to Legality of Bonds -- Limitations**

### **63B-1a-501 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may either:
  - (a)
    - (i) publish once in a newspaper having general circulation in Utah any resolution adopted by the commission; and
    - (ii) publish, in accordance with Section 45-1-101, any resolution adopted by the commission; or

- (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing:
  - (i) the purpose of the bond issue;
  - (ii) the type of bonds and the maximum principal amount that may be issued;
  - (iii) the maximum number of years over which the bonds may mature;
  - (iv) the maximum interest rate that the bonds may bear, if any;
  - (v) the maximum discount from par, expressed as a percentage of principal amount, at which the bonds may be sold; and
  - (vi) that a copy of the resolution or other proceedings may be examined at the office of the state treasurer during regular business hours for at least 30 days after the publication of the notice.
- (2) For 30 days after the date of publication, any interested person may contest:
  - (a) the legality of the resolution;
  - (b) any of the bonds authorized under it; or
  - (c) any of the provisions made for the repayment of the bonds.
- (3) After 30 days, a person may not, for any cause, contest:
  - (a) the legality of the resolution;
  - (b) any of the bonds authorized under the resolution; or
  - (c) any of the provisions made for the security and repayment of the bonds.

Amended by Chapter 388, 2009 General Session

## **Part 6** **Bond Anticipation Notes**

### **63B-1a-601 Bond anticipation notes -- Authorization, terms, and procedures.**

- (1) (a) The commission may issue bond anticipation notes in the form and with the terms that the commission determines.
  - (b) Each bond anticipation note and the interest on it are a general obligation of the state.
- (2) The commission shall, by resolution:
  - (a) establish the interest rate or rates, including variable rates, for the bond anticipation notes; and
  - (b) provide that each bond anticipation note and any interest due on it is payable from:
    - (i) the proceeds of the sale of bonds;
    - (ii) money of the state on hand and legally available for that purpose in accordance with the authorized security; or
    - (iii) any combination of Subsections (2)(b)(i) and (ii).
- (3) If the general obligation bonds have not been issued before the maturity of the bond anticipation notes issued in anticipation of the sale of those bonds, the commission shall, in order to meet the bond anticipation notes that are maturing:
  - (a) issue renewal bond anticipation notes for that purpose;
  - (b) pay the bond anticipation notes from state money legally available for paying those notes; or
  - (c) any combination of Subsections (3)(a) and (b).
- (4) The commission may, by resolution:
  - (a) provide that the bond anticipation notes are subject to redemption before maturity;

- (b) enter into agreements and make other arrangements, including any or all of those authorized by Subsection 63B-1a-102(2), that the commission considers necessary or appropriate in connection with the issuance, sale, and resale of the bond anticipation notes;
- (c) resell or retire any bond anticipation notes purchased by the state before the stated maturity of those bond anticipation notes; and
- (d) establish whatever funds and accounts are necessary or desirable to carry out the authorization and issuance of bond anticipation notes.

Enacted by Chapter 2, 2003 General Session

## **Part 7** **Effect on Outstanding Bonds**

### **63B-1a-701 Prior bonds validated -- Exceptions.**

All general obligation bonds and bond anticipation notes issued by the commission before February 14, 2003 and all proceedings had in the authorization and issuance of them are:

- (1) validated, ratified, and confirmed; and
- (2) declared to constitute legally binding obligations in accordance with their terms.

Enacted by Chapter 2, 2003 General Session

## **Chapter 1b** **State Financing Consolidation Act**

### **Part 1** **General Provisions**

#### **63B-1b-101 Title.**

This chapter is known as the "State Financing Consolidation Act."

Renumbered and Amended by Chapter 382, 2008 General Session

#### **63B-1b-102 Definitions.**

As used in this chapter:

- (1) "Agency bonds" means any bond, note, contract, or other evidence of indebtedness representing loans or grants made by an authorizing agency.
- (2) "Authorized official" means the state treasurer or other person authorized by a bond document to perform the required action.
- (3) "Authorizing agency" means the board, person, or unit with legal responsibility for administering and managing revolving loan funds.
- (4) "Bond document" means:
  - (a) a resolution of the commission; or
  - (b) an indenture or other similar document authorized by the commission that authorizes and secures outstanding revenue bonds from time to time.

- (5) "Commission" means the State Bonding Commission, created in Section 63B-1-201.
- (6) "Revenue bonds" means any special fund revenue bonds issued under this chapter.
- (7) "Revolving Loan Funds" means:
  - (a) the Water Resources Conservation and Development Fund, created in Section 73-10-24;
  - (b) the Water Resources Construction Fund, created in Section 73-10-8;
  - (c) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean Fuels and Emission Reduction Technology Program Act;
  - (d) the Water Development Security Fund and its subaccounts, created in Section 73-10c-5;
  - (e) the Agriculture Resource Development Fund, created in Section 4-18-106;
  - (f) the Utah Rural Rehabilitation Fund, created in Section 4-19-105;
  - (g) the Permanent Community Impact Fund, created in Section 35A-8-303;
  - (h) the Petroleum Storage Tank Fund, created in Section 19-6-409; and
  - (i) the State Infrastructure Bank Fund, created in Section 72-2-202.

Amended by Chapter 105, 2025 General Session

**63B-1b-103 Limitation on issuance of bonds -- Legislative approval required.**

No bonds may be authorized or issued under this chapter without the prior approval of the Legislature.

Enacted by Chapter 251, 2011 General Session

**Part 2**  
**Officers in State Treasurer's Office**

**63B-1b-201 Investment officer -- Powers and duties.**

- (1) There is created within the Office of the State Treasurer an investment banking officer to advise, counsel, and render technical assistance to authorizing agencies in the management of state loan and grant programs.
- (2) This officer shall:
  - (a) work cooperatively with the staff and boards of authorizing agencies as an advisor on technical financial aspects concerning loan and grant programs authorized by law;
  - (b) coordinate procedures for the closing of and assist authorizing agencies in closing all loans and grants of funds or other subsidy agreements;
  - (c) analyze, in conjunction with the appropriate authorizing agency, the financial feasibility and economic and capital efficiency of projects of applicants to authorizing agencies for loans and grants, review financing options, and make recommendations to each authorizing agency regarding terms of loans or grants and levels of state subsidy in accordance with the financial feasibility of the project and the efficiency of available state capital;
  - (d) coordinate and consolidate, to the extent possible, all financial and legal analysis of financing plans and closings of loans and grants made by each authorizing agency; and
  - (e) provide an annual report of the officer's activities to the state treasurer, the governor, the Division of Finance, and the boards of each authorizing agency.
- (3) The analysis under Subsection (2)(c) shall include consideration of the following criteria:

- (a) a demonstration of need based on the applicant's overall financial profile, including overlapping debt, tax levies, user rates, fees, charges, assessments, and other revenue and obligations existing within the community as a whole;
- (b) the ability of the applicant to obtain financing from other, preferably private, sources on terms and conditions reasonably affordable;
- (c) the availability and advisability of financing methods such as loans, grants, interest buy down arrangements, bond insurance, loan or bond guarantees, or any other appropriate method;
- (d) the economic and efficiency of capital advantages enuring to the authorizing agency if the financing plan is adopted;
- (e) a demonstration of local public support for the financing plan; and
- (f) availability of other funds and financing methods under law.

(4) Each authorizing agency shall consult with and cooperate with the officer and shall consider the officer's recommendations before proceeding to fund a project, but the final decision as to the appropriate financing plan shall rest with the board of the authorizing agency according to their legal authority existing at the time.

Renumbered and Amended by Chapter 382, 2008 General Session

**63B-1b-202 Custodial officer -- Powers and duties.**

- (1)
  - (a) There is created within the Division of Finance an officer responsible for the care, custody, safekeeping, collection, and accounting of all bonds, notes, contracts, trust documents, and other evidences of indebtedness:
    - (i) owned or administered by the state or any of its agencies; and
    - (ii) except as provided in Subsection (1)(b), relating to revolving loan funds.
  - (b) Notwithstanding Subsection (1)(a), the officer described in Subsection (1)(a) is not responsible for the care, custody, safekeeping, collection, and accounting of a bond, note, contract, trust document, or other evidence of indebtedness relating to the:
    - (i) Agriculture Resource Development Fund, created in Section 4-18-106;
    - (ii) Utah Rural Rehabilitation Fund, created in Section 4-19-105;
    - (iii) Petroleum Storage Tank Fund, created in Section 19-6-409;
    - (iv) Olene Walker Housing Loan Fund, created in Section 35A-8-502;
    - (v) Brownfields Fund, created in Section 19-8-120; and
    - (vi) Rural Opportunity Fund, created in Section 63N-4-805.
- (2)
  - (a) Each authorizing agency shall deliver to this officer for the officer's care, custody, safekeeping, collection, and accounting all bonds, notes, contracts, trust documents, and other evidences of indebtedness:
    - (i) owned or administered by the state or any of its agencies; and
    - (ii) except as provided in Subsection (1)(b), relating to revolving loan funds.
  - (b) This officer shall:
    - (i) establish systems, programs, and facilities for the care, custody, safekeeping, collection, and accounting for the bonds, notes, contracts, trust documents, and other evidences of indebtedness submitted to the officer under this Subsection (2); and
    - (ii) shall make available updated reports to each authorizing agency as to the status of loans under their authority.
- (3) The officer described in Section 63B-1b-201 shall deliver to the officer described in Subsection (1)(a) for the care, custody, safekeeping, collection, and accounting by the officer described

in Subsection (1)(a) of all bonds, notes, contracts, trust documents, and other evidences of indebtedness closed as provided in Subsection 63B-1b-201(2)(b).

Amended by Chapter 362, 2022 General Session  
Amended by Chapter 451, 2022 General Session

### **Part 3** **Transfer or Liquidation of Bonds**

#### **63B-1b-301 State treasurer may sell, assign, or liquidate agency bonds -- Marketing plan required.**

- (1) One or more authorizing agencies may from time to time request the state treasurer to sell, assign, or liquidate agency bonds on behalf of the authorizing agencies as provided in Section 63B-1b-302.
- (2)
  - (a) Agency bonds shall be sold, assigned, transferred, or liquidated by the state treasurer pursuant to a marketing plan provided by the state treasurer under Section 63B-1b-302.
  - (b) The governor or the governor's designee and the appropriate authorizing agency shall approve the marketing plan, in writing.

Renumbered and Amended by Chapter 382, 2008 General Session

#### **63B-1b-302 Marketing plan and related agreements -- Use of proceeds of liquidation of agency bonds -- Report to Division of Finance -- Special funds -- Limitation on liability.**

- (1)
  - (a) Before the liquidation of any agency bonds pursuant to the request of an authorizing agency as provided in Section 63B-1b-301, the state treasurer shall provide a written marketing plan to the governor or the governor's designee and the appropriate authorizing agency or agencies for written approval.
  - (b) The marketing plan may provide for:
    - (i) the terms and conditions under which the agency bonds may be sold, assigned, or liquidated by the state treasurer;
    - (ii) the particular agency bonds to be sold, assigned, or liquidated, or a maximum par amount of agency bonds to be sold, assigned, or liquidated;
    - (iii) the price or a range of prices of the agency bonds to be sold, assigned, or liquidated, which may be at, above, or below par, as the state treasurer determines in the marketing plan;
    - (iv) the terms and conditions of agreements entered into by the state treasurer on behalf of the state with financial and other institutions for financial advisory services, trustee services, insurance, letters of credit, reimbursement agreements, tender agreements, put agreements, repurchase agreements, and indexing and tender agent agreements to facilitate the marketing plan or to secure or provide liquidity to support any agreement, obligation, or contract entered into by the state treasurer on behalf of the state in connection with the sale, assignment, or liquidation of the agency bonds and any repurchase, remarketing, or other liquidation of the agency bonds and any insurance, repurchase, remarketing, tender, put, letter of credit, or agreement, obligation, or contract entered in connection with them, including payment of fees, charges, or other amounts coming due

under agreements entered into with financial or other institutions by the state treasurer, from the proceeds of any sale, assignment, or other liquidation of agency bonds, and from any investment earnings on such proceeds, and no other state money may be used for this purpose;

- (v) the application of the proceeds received from the sale, assignment, or liquidation of agency bonds, and any investment earnings on them; and
- (vi) all other details relating to the sale, assignment, or liquidation of agency bonds and any related, attached, or accompanying insurance, tender, put, repurchase, remarketing, letter of credit, or other agreement, obligation, or contract deemed necessary or appropriate by the state treasurer.

(c) The state treasurer, on behalf of the state, may enter into the agreements contemplated in the marketing plan.

(2)

- (a) After the payment of, or provision for payment of, the fees, charges, or other amounts pursuant to Subsection (1), the state treasurer shall deliver the proceeds of the sale, assignment, or other liquidation of agency bonds under this section to the appropriate authorizing agency to be applied as authorized by the law creating or authorizing the loan or grant program of the authorizing agency.
- (b)
  - (i) The marketing plan may provide that if any agreement, obligation, or contract entered into by the state treasurer on behalf of the state with respect to the sale, repurchase, remarketing, tender, put, assignment, or other liquidation of the agency bonds remains outstanding under the marketing plan, the proceeds, and investment earnings on them, may be pledged, escrowed, held in trust, or otherwise held in reserve by the state treasurer to secure these agreements, obligations, or contracts of the state treasurer entered into on behalf of the state.
  - (ii) Any obligations of the state treasurer entered into on behalf of the state under Subsection (2)(b)(i) shall be limited solely to those proceeds and the investment earnings on them.
- (c) No holder or beneficiary of any put, tender, repurchase, remarketing, or other similar rights under such agreements, obligations, or contracts of the state treasurer entered into on behalf of the state has any rights against the state, the state treasurer or any state agency, or funds of the state, the state treasurer, or any state agency, other than those expressly set forth in the agreement or contract embodying those rights, consistent with the marketing plan and the limitation set forth in this Subsection (2).

(3)

- (a)
  - (i) The state treasurer may establish more than one marketing plan under this section.
  - (ii) Agency bonds may be combined in any combination and sold, pledged, assigned, or otherwise liquidated in any amounts, at any time, and from time to time as provided in the applicable marketing plan.
- (b) The state treasurer may, by order, set forth the sale price, form, manner of execution, payment, manner of sale, assignment, or other liquidation, and all details of agreements or contracts entered into in connection with them, including the application of any proceeds and the investment earnings on them, consistent with the marketing plan and this section.
- (c) The state treasurer shall make a verified return to the Division of Finance immediately upon completion of each transaction of:
  - (i) the amount of agency bonds involved;
  - (ii) the amounts received in each transaction entered into under this section; and

- (iii) a brief description of any pledge or other restriction on the proceeds of the transaction or the investment earnings on the proceeds.
- (4) The state treasurer may:
  - (a) create any funds necessary to carry out the purposes of this section;
  - (b) invest all money held in those funds in accordance with Title 51, Chapter 7, State Money Management Act, and in accordance with any agreement of the state, pursuant to the marketing plan, with respect to the investment and application of the money; and
  - (c) invest money held in the funds in obligations of any state, territory, or possession of the United States, or of any of the political subdivisions of any state, territory, or possession of the United States, or of the District of Columbia, described in Section 103, Internal Revenue Code of 1986.
- (5) The limitations contained in this section with respect to the liability of the state or its agencies may not be construed to limit or alter the obligations of political subdivisions on the bonds in the hands of the holders of them in any manner.

Renumbered and Amended by Chapter 382, 2008 General Session

## **Part 4** **Issuance of Bonds**

### **63B-1b-401 Pledge of agency bonds to pay revenue bonds -- Contents of financing agreements -- Use of money received by authorizing agencies.**

- (1) Subject to the requirements of this chapter, and with the approval of the relevant authorizing agency, the State Bonding Commission may pledge, assign, or otherwise transfer any agency bonds, any money payable on or with respect to them, any legally available money or other security administered by an authorizing agency, or any combination of bonds, money, or other security to provide for the payment of revenue bonds issued under Section 63B-1b-402 and the payment of any amounts due under agreements and contracts described in Subsection 63B-1b-402(9).
- (2)
  - (a) Before issuing revenue bonds under Section 63B-1b-402, the commission shall enter into a financing agreement with the appropriate authorizing agency or agencies.
  - (b) This agreement shall specify:
    - (i) any agency bonds, money, or other security to be pledged by the commission to provide for the payment of the revenue bonds;
    - (ii) the amount to be paid to the order of the authorizing agency or agencies for the agency bonds, money, or other security; and
    - (iii) other matters that the commission considers necessary or appropriate.
- (3) The amounts received by each authorizing agency from the proceeds of the revenue bonds, together with all amounts paid to the authorizing agencies pursuant to Subsection 63B-1b-402(10), shall be applied by the authorizing agency as authorized by the law creating or authorizing the loan or grant program of the authorizing agency.

Amended by Chapter 251, 2011 General Session

**63B-1b-402 Commission may authorize revenue bonds -- Contents of bond document -- Special and reserve funds -- Limitation on liability -- Restoration of money in reserve funds -- Payment of bonds and other technical requirements -- Refunding -- Report to Division of Finance.**

(1)

- (a) In order to provide authorizing agencies with an alternative method of liquidating agency bonds and with additional funds to further the purposes of the authorizing agencies, the commission may authorize the state to issue revenue bonds subject to the requirements of this chapter.
- (b) The revenue bonds shall be payable solely from a special fund established by the state treasurer as provided in Subsection (4).
- (c) Revenue bonds may be sold at public or private sale and may be issued in one or more series.

(2) Revenue bonds may be authorized, issued, and sold by the commission on behalf of the state at a time or times and in a manner set forth in a bond document that provides for:

- (a) the terms and conditions of sale, including price, whether at, below or above face value;
- (b) interest rates, including a variable rate;
- (c) authorized denomination;
- (d) maturity dates;
- (e) form;
- (f) manner of execution;
- (g) manner of authentication;
- (h) place and medium of payment;
- (i) redemption terms;
- (j) authorized signatures of public officials; and
- (k) other provisions and details considered necessary or appropriate.

(3) To the extent set forth in the resolution, the proceeds of revenue bonds may be used for the purposes set forth in Subsection (1) and to:

- (a) provide for any necessary or desirable reserve fund as provided for in Subsection (5); and
- (b) pay fees, charges, and other amounts related to the issuance and sale of the revenue bonds.

(4)

- (a) As provided in the bond document, the principal of, premium, if any, and interest on, any issue of revenue bonds is payable solely from and secured by one or more special funds consisting of:
  - (i) the pledge and assignment of any agency bonds, including all amounts payable on or with respect to them, and other money and security, as provided for in an agreement entered into under Subsection 63B-1b-401(2);
  - (ii) amounts on deposit in the reserve fund, if any, established under Subsection (5);
  - (iii) amounts available pursuant to any security device or credit enhancement device that the commission authorizes for the purpose of improving the marketability of the revenue bonds; and
  - (iv) other amounts available and pledged by the commission to secure payment of that issue of revenue bonds.
- (b) Owners of revenue bonds do not have recourse against the general funds or general credit of the state or its political subdivisions or agencies, but this limitation does not limit or alter the obligations of political subdivisions on agency bonds in any manner.

- (c) Revenue bonds do not constitute nor give rise to a general obligation or liability of, or constitute a charge or lien against, the general credit or taxing power of the state or its political subdivisions or agencies, including any authorizing agency.
- (d) Revenue bonds shall contain on their face a statement that:
  - (i) the revenue bonds are payable solely from the sources set forth in this Subsection (4) and specified in the bond document with respect to the revenue bonds;
  - (ii) neither the state nor any political subdivision of the state is obligated to pay the revenue bonds; and
  - (iii) neither the faith and credit nor the taxing power of the state or any of its political subdivisions is pledged to the payment of principal or redemption price of, or premium, if any, or interest on the revenue bonds.
- (e) Revenue bonds do not constitute debt of the state within the meaning of Utah Constitution Article XIII, Sec. 5 (3) or Article XIV, Sec. 1.

(5)

- (a) The commission may establish a reserve fund with respect to any issue of revenue bonds.
- (b) If a reserve fund is established, the bond document relating to that issue of revenue bonds shall specify:
  - (i) the minimum amount that is required to be on deposit in the reserve fund;
  - (ii) the amount of sale proceeds from the sale of that issue of revenue bonds that shall be deposited in the reserve fund; and
  - (iii) the manner in which any deficiency in the reserve fund shall be replenished.
- (c)
  - (i) On or before the first day of December of each year, the state treasurer shall certify to the governor and the director of the Division of Finance the amount, if any, that may be required to restore all reserve funds established to the minimum amount specified by the state treasurer with respect to each reserve fund.
  - (ii) The governor may request an appropriation from the Legislature equal to the certified amount in order to restore each reserve fund to the specified minimum amount.

(6)

- (a)
  - (i) The commission may provide in the bond document that any signature of a public official authorized to sign revenue bonds may be by the facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the revenue bonds.
  - (ii) If all signatures of public officials on the revenue bonds are facsimile signatures, the bond document shall provide for a manual authenticating signature on the revenue bonds by or on behalf of a designated authenticating agent.
  - (iii) If an official ceases to hold office before delivery of the revenue bonds signed by that official, the signature or facsimile signature of the official is valid and sufficient for all purposes.
- (b) A facsimile of the seal of the state may be imprinted, engraved, stamped, or otherwise placed on the revenue bonds.

(7)

- (a) The commission may provide in the bond document for the replacement of lost, destroyed, stolen, or mutilated revenue bonds or for the exchange of revenue bonds after issuance for revenue bonds of smaller or larger denominations.
- (b) Revenue bonds in changed denominations shall:
  - (i) be exchanged for the original revenue bonds in the aggregate principal amounts and in a manner that prevents the duplication of interest; and

(ii) bear interest at the same rate, be of the same series, mature on the same date, and be as nearly as practicable in the same form as the original revenue bonds.

(8)

(a)

(i) Revenue bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.

(ii) The commission may provide for the services and payment for the services of one or more financial institutions, other entities or persons, or nominees, within or outside the state, for:

(A) authentication;

(B) registration;

(C) transfer, including record, bookkeeping, or book entry functions;

(D) exchange; and

(E) payment.

(b) The records of ownership, registration, transfer, and exchange of the revenue bonds, and of persons to whom payment with respect to them is made, are classified as private or protected as defined in Title 63G, Chapter 2, Government Records Access and Management Act.

(c) The revenue bonds and any evidences of participation interests in the revenue bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 (a), Internal Revenue Code of 1986, or any comparable predecessor or successor provision, and applicable regulations.

(9)

(a) The commission may authorize the execution and delivery of whatever agreements and contracts that the commission considers necessary and appropriate in connection with the issuance of revenue bonds.

(b) These agreements and contracts may include agreements and contracts with financial and other institutions for financial advisory services, trustee services, insurance, letters of credit, reimbursement agreements, tender agreements, put agreements, repurchase agreements, and indexing and tender agent agreements to:

(i) facilitate the sale of the revenue bonds; or

(ii) secure or provide liquidity to support any agreement, obligation, or contract entered into by an authorized officer on behalf of the state in connection with:

(A) the issuance and sale of the revenue bonds;

(B) any repurchase, remarketing, or other pledge of the revenue bonds; and

(C) any insurance, repurchase, remarketing, tender, put, letter of credit, or agreement, obligation, or contract entered into in connection with them, including payment of fees, charges, or other amounts coming due under agreements entered into with financial or other institutions on behalf of the state.

(10) When all revenue bonds of an issue have been paid, or provision for their payment has been made, the following shall be transferred to the appropriate authorizing agency or agencies, in the amounts and in the manner that the commission considers fair and equitable, and to the extent not required to secure payment of the revenue bonds and related fees, charges, and other amounts:

(a) all amounts remaining on deposit in any reserve fund established with respect to the issue of revenue bonds; and

- (b) all other amounts and all agency bonds held by the commission and any trustee and pledged to the payment of the revenue bonds.
- (11)
  - (a) The state treasurer or the commission may create any funds and accounts necessary to carry out the purposes of this section.
  - (b)
    - (i) The state treasurer shall administer and maintain those funds and accounts.
    - (ii) The state treasurer may invest all money held in those funds and accounts in accordance with Title 51, Chapter 7, State Money Management Act, and in accordance with the bond document or any other agreement entered into on behalf of the state as authorized by the bond document.
    - (iii) The commission may not approve the bond document or other agreement with respect to the investment and application of the money unless the state treasurer has affirmatively approved any investment provisions contained in the bond document or other agreement.
  - (c) All income from the money invested in a fund or account created under this Subsection (11) shall accrue to the benefit of the fund or account and shall be used for the purpose for which the fund or account was established.
- (12) The commission may authorize the issuance of refunding revenue bonds of the state in accordance with Title 11, Chapter 27, Utah Refunding Bond Act, for the purpose of refunding any revenue bonds and for the purposes of that act, the state shall be considered a "public body" and the commission its "governing body."
- (13)
  - (a) Revenue bonds may not be issued under this chapter until an authorized official finds and certifies that all conditions precedent to the issuance of the revenue bond, including the requirements of Section 63B-1b-103, have been satisfied.
  - (b) A recital on any revenue bond of a finding and certification conclusively establishes the completion and satisfaction of all conditions required in this section.
- (14) Revenue bonds, interest paid on revenue bonds, and any income from revenue bonds are not taxable within this state for any purpose, except for the corporate franchise tax.
- (15)
  - (a) Revenue bonds are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund.
  - (b) Revenue bonds may also be used as collateral to secure legal obligations.
- (16) Immediately upon the issuance of each issue of revenue bonds, an authorized official shall make a verified return to the Division of Finance of:
  - (a) the aggregate principal amount of revenue bonds issued;
  - (b) the amount of proceeds of sale of revenue bonds received by the state;
  - (c) the amount paid to the authorizing agency or agencies for the agency bonds;
  - (d) the total amount of all fees and expenses relating to the issuance of the revenue bonds;
  - (e) the amount of sale proceeds of the revenue bonds used to pay fees and expenses; and
  - (f) the amount of sale proceeds of the revenue bonds deposited in the reserve fund established with respect to the issue of revenue bonds, if any.

Amended by Chapter 251, 2011 General Session

Amended by Chapter 342, 2011 General Session

## **Part 5 Tax Status**

### **63B-1b-501 Tax status -- Exemption.**

The revenue bonds issued under this chapter, any interest paid on the revenue bonds, and any income from the bonds is not taxable in Utah for any purpose, except for the corporate franchise tax.

Renumbered and Amended by Chapter 382, 2008 General Session

## **Part 6 Notice Requirements**

### **63B-1b-601 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may either:
  - (a) publish once in a newspaper having general circulation in Utah any resolution adopted by it; or
  - (b) in lieu of publishing the entire resolution, publish a notice of revenue bonds to be issued, titled as such, containing:
    - (i) the purpose of the revenue bond issue;
    - (ii) the maximum principal amount that may be issued;
    - (iii) the maximum number of years over which the revenue bonds may mature;
    - (iv) the maximum interest rate that the revenue bonds may bear, if any;
    - (v) the maximum discount from par, expressed as a percentage of principal amount, at which the revenue bonds may be sold; and
    - (vi) a statement that a copy of the resolution or other bond document may be examined at the office of the state treasurer during regular business hours for at least 30 days after the publication of the notice.
- (2) For 30 days after the date of publication, any interested person may contest:
  - (a) the legality of the resolution or other bond document;
  - (b) any of the revenue bonds authorized under it; or
  - (c) any of the provisions made for the repayment of the revenue bonds.
- (3) After 30 days, a person may not, for any cause, contest:
  - (a) the legality of the resolution or other bond document;
  - (b) any of the revenue bonds authorized under the resolution or other bond document; or
  - (c) any of the provisions made for the security and repayment of the revenue bonds.

Renumbered and Amended by Chapter 382, 2008 General Session

## **Part 7 Payment of Expenses**

### **63B-1b-701 Payment of expenses.**

- (1) All expenses incurred by the state under this chapter may be paid:

- (a) in the case of expenses incurred under Section 63B-1b-302, from the proceeds of the liquidation of agency bonds; and
- (b) in the case of expenses incurred under Section 63B-1b-402, from the proceeds of sale of revenue bonds.

(2)

- (a) Any expenses incurred by the state under this chapter that are not paid from the proceeds of the liquidation of agency bonds or the issuance of state revenue bonds shall be paid from the revolving funds of the authorizing agencies.
- (b) These expenses are not a charge to or an appropriation from the General Fund.

Renumbered and Amended by Chapter 382, 2008 General Session

## **Chapter 2 1993 Bonding**

### **Part 1 Capital Facilities and Capital Improvement Bonding**

#### **63B-2-101 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds to provide funds to the division.

Enacted by Chapter 304, 1993 General Session

#### **63B-2-102 Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$80,000,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period and all related engineering, architectural, and legal fees.
  - (c) For the division, proceeds shall be provided for the following:

#### **CAPITAL IMPROVEMENTS**

1	Alterations, Repairs, and Improvements	\$8,413,900
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<b>TOTAL IMPROVEMENTS</b>		\$8,413,900
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#### **CAPITAL FACILITIES CONSTRUCTION**

PROJECT PRIORITY	PROJECT DESCRIPTION	AMOUNT FUNDED	ESTIMATED OPERATIONS
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		AND MAINTENANCE COSTS
1	Corrections - Northern Utah Community Corrections Center Phase II	\$2,729,700 \$158,000
2	University of Utah Marriot Library Phase II	\$10,200,000 \$881,600
3	Ogden Courts Building Phase II	\$12,096,000 \$340,000
4	Utah National Guard - Southeast Utah Armory Phase II	\$397,800 \$70,500
5	Southern Utah University Library Phase II	\$7,004,400 \$427,000
6	Utah Valley Special Events Center Phase II	\$11,845,300 \$536,900
7	Salt Lake Community College - Land	\$1,300,000 \$0
8	Tax Commission Building	\$14,224,000 \$812,000
9	Dixie College Business Building	\$2,823,300 \$187,800
10	Salt Lake Community College South City 3rd Floor and Boiler	\$4,009,500 \$257,600
11	Public Education - Deaf and Blind Classrooms	\$3,456,100 \$124,800
	TOTAL CONSTRUCTION	\$70,086,100
	TOTAL IMPROVEMENTS AND CONSTRUCTION	\$78,500,000

(d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;
- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

(3)

- (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
- (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
- (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.

(4)

- (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.

- (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
- (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
- (d) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.

(5)

- (a) For those projects for which only partial funding is provided in Subsection (2), it is the intent of the Legislature that the balance necessary to complete the projects be addressed by future Legislatures, either through appropriations or through the issuance or sale of bonds.
- (b) For those phased projects, the division may enter into contracts for amounts not to exceed the anticipated full project funding but may not allow work to be performed on those contracts in excess of the funding already authorized by the Legislature.
- (c) Those contracts shall contain a provision for termination of the contract for the convenience of the state.
- (d) It is also the intent of the Legislature that this authorization to the division does not bind future Legislatures to fund projects initiated from this authorization.

Amended by Chapter 196, 2014 General Session

**63B-2-103 Use of bond proceeds for issuance and other costs.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-2-102 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discount.

Enacted by Chapter 304, 1993 General Session

**63B-2-104 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 304, 1993 General Session

**63B-2-105 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;

- (h) redemption terms; and
- (i) other provisions and details it considers appropriate.

(2) The commission may by resolution adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.

(3)

- (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
- (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
- (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
- (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.

(4)

- (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
- (b) Bonds in changed denominations shall:
  - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
  - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.

(5)

- (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
- (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302 or protected records as provided in Section 63G-2-305.
- (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:

- (i) the calculation, holding, and payment of those amounts; and
- (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-2-106 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Article XIV, Sec. 1, Utah Constitution.
- (2) For purposes of applying the debt limitation contained in Article XIV, Sec. 1, Utah Constitution, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 304, 1993 General Session

**63B-2-107 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2) (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.  
(b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 304, 1993 General Session

**63B-2-108 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1993 General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 304, 1993 General Session

**63B-2-109 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and

(b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 304, 1993 General Session

**63B-2-110 Investment of sinking fund money.**

(1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.

(2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 304, 1993 General Session

**63B-2-111 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

(1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.

(b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.

(c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.

(2) (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.

(b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.

(3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-2-112 Refunding of bonds.**

(1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.

(2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 304, 1993 General Session

**63B-2-113 Certification of satisfaction of conditions precedent -- Conclusiveness.**

(1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.

(2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all conditions precedent.

Enacted by Chapter 304, 1993 General Session

**63B-2-114 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 304, 1993 General Session

**63B-2-115 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 304, 1993 General Session

**63B-2-116 Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

- (a) publish any resolution it adopts under this chapter:
  - (i) once in a newspaper having general circulation in Utah; and
  - (ii) as required in Section 45-1-101; or
- (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection 11-14-316(2).

(2)

- (a) Any interested person, for 30 days after the date of publication, may contest:
  - (i) the legality of the resolution;
  - (ii) any of the bonds authorized under it; or
  - (iii) any of the provisions made for the security and repayment of the bonds.
- (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-2-117 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

**Part 2**  
**Highway General Obligation Bonds**

**63B-2-201 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds, to provide funds to the Department of Transportation.

Enacted by Chapter 304, 1993 General Session

**63B-2-202 Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$12,000,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the Department of Transportation as follows:
    - (i) not more than \$9,000,000 to provide funds to pay all or part of the cost of constructing the West Valley Highway;
    - (ii) not more than \$1,000,000 to provide funds to pay all or part of the cost of enhancing and improving the 90th South interchange; and
    - (iii) not more than \$1,000,000 to provide funds to pay all or part of the cost of enhancing and improving the I-15 interchange at South University Avenue in Provo.
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.
- (3) If, after completion of the projects authorized under Subsection (2)(a) and payment of the costs of issuing and selling the bonds under Section 63B-2-203, any bond proceeds remain unexpended, the Department of Transportation may use those unexpended proceeds to pay all or part of the costs of construction projects approved by the Transportation Commission.
- (4) The Department of Transportation may enter into agreements related to that project before the receipt of proceeds of bonds issued under this chapter.

Amended by Chapter 120, 1994 General Session

**63B-2-203 Bond proceeds may be used to pay costs of issuance and sale.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-2-202 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discount.

Enacted by Chapter 304, 1993 General Session

**63B-2-204 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 304, 1993 General Session

**63B-2-205 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;
  - (h) redemption terms; and
  - (i) other provisions and details it considers appropriate.
- (2) The commission may by resolution adopt a plan of financing which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)
  - (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
  - (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
  - (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
  - (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.
- (4)
  - (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
  - (b) Bonds in changed denominations shall:
    - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
    - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.
- (5)
  - (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
  - (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.

- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302, or protected records as provided in Section 63G-2-305.
- (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:
  - (i) the calculation, holding, and payment of those amounts; and
  - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-2-206 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Article XIV, Sec. 1, Utah Constitution.
- (2) For purposes of applying the debt limitation contained in Article XIV, Sec. 1, Utah Constitution, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 304, 1993 General Session

**63B-2-207 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2)
  - (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.
  - (b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 304, 1993 General Session

**63B-2-208 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1993 Highway General Obligation Bonds Sinking Fund."

- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 304, 1993 General Session

**63B-2-209 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 304, 1993 General Session

**63B-2-210 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 304, 1993 General Session

**63B-2-211 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
  - (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-2-212 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 304, 1993 General Session

**63B-2-213 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all such conditions.

Enacted by Chapter 304, 1993 General Session

**63B-2-214 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 304, 1993 General Session

**63B-2-215 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 304, 1993 General Session

**63B-2-216 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may:
  - (a) publish any resolution it adopts under this chapter:
    - (i) once in a newspaper having general circulation in Utah; and
    - (ii) as required in Section 45-1-101; or
  - (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection 11-14-316(2).
- (2)
  - (a) Any interested person, for 30 days after the date of publication, may contest:
    - (i) the legality of the resolution;
    - (ii) any of the bonds authorized under it; or
    - (iii) any of the provisions made for the security and repayment of the bonds.
  - (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-2-217 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

## **Part 3** **Legislative Intent**

### **63B-2-301 Legislative intent -- Additional projects.**

It is the intent of the Legislature that:

- (1) The Department of Employment Security use money in the special administrative fund to plan, design, and construct a Davis County facility under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by him as authorized by Section 63A-5b-604.
- (2) The University of Utah may use donated funds to plan, design, and construct the Nora Eccles Harrison addition under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by him as authorized by Section 63A-5b-604.
- (3) The University of Utah may use hospital funds to plan, design, and construct the West Patient Services Building under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by him as authorized by Section 63A-5b-604.
- (4) The University of Utah may use federal funds to plan, design, and construct the Computational Science Building under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by him as authorized by Section 63A-5b-604.
- (5) The Board of Regents may issue revenue bonds to provide:
  - (a) \$6,700,000 to plan, design, and construct single student housing at Utah State University under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by him as authorized by Section 63A-5b-604; and
  - (b) additional money necessary to:
    - (i) pay costs incident to the issuance and sale of the bonds;
    - (ii) pay interest on the bonds that accrues during construction and acquisition of the project and for up to one year after construction is completed; and
    - (iii) fund any reserve requirements for the bonds.
- (6) Utah State University may use federal funds to plan, design, and construct the Natural Resources Lab addition under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by him as authorized by Section 63A-5b-604.
- (7) Utah State University may use funds derived from property sales to plan, design, and construct emergency relocation facilities for the Farmington Botanical Gardens under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by him as authorized by Section 63A-5b-604.

- (8) Utah State University may use institutional funds to plan, design, and construct an institutional residence for the president under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by him as authorized by Section 63A-5b-604.
- (9) Weber State University may use discretionary funds to construct a remodel and expansion of the stores building and mail service facilities under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by him as authorized by Section 63A-5b-604.
- (10) Weber State University may use fees and auxiliary revenue to plan, design, and construct a remodel and expansion of the Shepherd Student Union Building under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by him as authorized by Section 63A-5b-604.
- (11) Southern Utah University may use donated funds to plan, design, and construct an alumni house under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by him as authorized by Section 63A-5b-604.
- (12) Utah State University Eastern may use auxiliary revenues and other fees to:
  - (a) make lease or other payments;
  - (b) redeem revenue bonds or repay loans issued on behalf of the college; and
  - (c) plan, design, and construct a 200 person residence hall under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by him as authorized by Section 63A-5b-604.
- (13) The Sevier Valley Applied Technology Center may use private and Community Impact Board funds, if approved, to plan, design, and construct a performing arts/multi-use facility under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by him as authorized by Section 63A-5b-604.
- (14) Ogden City and Weber County may have offices and related space for their attorneys included in the Ogden Courts building if the city and county are able to provide upfront funding to cover all costs associated with the design and construction of that space. In addition, the city and county shall cover their proportionate share of all operations and maintenance costs of their facility, including future major repairs to the building.
- (15) If the Legislature authorizes the Division of Facilities Construction and Management to enter into a lease purchase agreement for the Department of Human Services facility at 1385 South State Street in Salt Lake City or for the State Board of Education facility and adjacent space in Salt Lake City, or for both of those facilities, the State Building Ownership Authority, at the reasonable rates and amounts it may determine, and with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Planning and Budget, may seek out the most cost effective lease purchase plans available to the state and may, pursuant to Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, certificate out interests in, or obligations of the authority pertaining to:
  - (a) the lease purchase obligation; or
  - (b) lease rental payments under the lease purchase obligation.
- (16) Salt Lake Community College may use donated funds to plan, design, and construct an amphitheater under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by him as authorized by Section 63A-5b-604.
- (17) For the Tax Commission building, that:

- (a) All costs associated with the construction and furnishing of the Tax Commission building that are incurred before the issuance of the 1993 general obligation bonds be reimbursed by bond proceeds.
- (b) The maximum amount of cost that may be reimbursed from the 1993 general obligation bond proceeds for the Tax Commission building and furnishings may not exceed \$14,230,000.
- (c) This intent statement for Subsection (17) constitutes a declaration of official intent under Section 1.103-18 of the U.S. Treasury Regulations.

Amended by Chapter 382, 2021 General Session

## **Chapter 3 1994 Bonding**

### **Part 1 Capital Facilities and Capital Improvement Bonding**

#### **63B-3-101 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds to provide funds to the division.

Enacted by Chapter 300, 1994 General Session

#### **63B-3-102 Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$64,600,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period and all related engineering, architectural, and legal fees.
  - (c) For the division, proceeds shall be provided for the following:

#### **CAPITAL IMPROVEMENTS**

1	Alterations, Repairs, and Improvements	\$5,000,000
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<b>TOTAL IMPROVEMENTS</b>	<b>\$5,000,000</b>
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#### **CAPITAL AND ECONOMIC DEVELOPMENT**

PRIORITY PROJECT	PROJECT DESCRIPTION	AMOUNT FUNDED	ESTIMATED OPERATIONS AND MAINTENANCE COSTS
1	University of Utah Marriott Library Phase III (Final)	\$13,811,500	\$881,600
2	Bridgerland Applied Technology Center Utah State University Space	\$2,400,000	\$0
3	Weber State University - Heat Plant	\$2,332,100	\$9,600
4	Department of Health and Human Services - Division of Juvenile Justice and Youth Services	\$4,180,000	\$400,000
5	Snow College - Administrative Services/ Student Center	\$3,885,100	\$224,500
6	Ogden Weber Applied Technology Center - Metal Trades Building Design and Equipment Purchase	\$750,000	\$0
7	Department of Corrections B-Block Remodel	\$1,237,100	\$72,000
8	Utah State University - Old Main Phase III Design	\$550,000	\$0
9	Department of Corrections - 144 bed Uintah Expansion	\$6,700,000	\$168,800
10	Southern Utah University Administrative Services/Student Center	\$5,630,400	\$314,200
11	Anasazi Museum	\$760,200	\$8,500
12	Hill Air Force Base - Easements Purchase	\$9,500,000	\$0
13	Signetics Building Remodel	\$2,000,000	\$0
14	Antelope Island Visitors Center	\$750,000	\$30,000
15	State Fair Park - Master Study	\$150,000	\$0
16	Utah National Guard - Draper Land	\$380,800	\$0
17	Davis Applied Technology Center - Design	\$325,000	\$0
18	Palisade State Park - Land and Park Development	\$800,000	\$0

19	Department of Health and Human Services - Cedar City Land	\$80,000	\$0
20	Department of Health and Human Services - Clearfield Land	\$163,400	\$0
21	Electronic technology, equipment, and hardware	\$2,500,000	\$0
TOTAL CAPITAL AND ECONOMIC DEVELOPMENT			\$58,885,600
TOTAL IMPROVEMENTS AND CAPITAL AND ECONOMIC DEVELOPMENT			\$63,885,600

(d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;
- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

(3)

- (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
- (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
- (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.

(4)

- (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
- (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
- (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
- (d) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.

(5)

- (a) For those projects for which only partial funding is provided in Subsection (2), it is the intent of the Legislature that the balance necessary to complete the projects be addressed by future Legislatures, either through appropriations or through the issuance or sale of bonds.
- (b) For those phased projects, the division may enter into contracts for amounts not to exceed the anticipated full project funding but may not allow work to be performed on those contracts in excess of the funding already authorized by the Legislature.
- (c) Those contracts shall contain a provision for termination of the contract for the convenience of the state.
- (d) It is also the intent of the Legislature that this authorization to the division does not bind future Legislatures to fund projects initiated from this authorization.

Amended by Chapter 240, 2024 General Session

**63B-3-103 Use of bond proceeds for issuance and other costs.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-3-102 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Enacted by Chapter 300, 1994 General Session

**63B-3-104 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 300, 1994 General Session

**63B-3-105 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;
  - (h) redemption terms; and
  - (i) other provisions and details it considers appropriate.
- (2) The commission may by resolution adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)
  - (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
  - (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
  - (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
  - (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.

- (4)
  - (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
  - (b) Bonds in changed denominations shall:
    - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
    - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.
- (5)
  - (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
  - (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
  - (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302 or protected records as provided in Section 63G-2-305.
  - (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.
- (6) The commission may:
  - (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
  - (b) enter into agreements with financial and other institutions and attorneys to provide for:
    - (i) the calculation, holding, and payment of those amounts; and
    - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-3-106 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Article XIV, Sec. 1, Utah Constitution.
- (2) For purposes of applying the debt limitation contained in Article XIV, Sec. 1, Utah Constitution, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 300, 1994 General Session

**63B-3-107 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2) (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.  
(b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 300, 1994 General Session

**63B-3-108 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1994 General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 300, 1994 General Session

**63B-3-109 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 300, 1994 General Session

**63B-3-110 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 300, 1994 General Session

**63B-3-111 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
  - (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-3-112 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 300, 1994 General Session

**63B-3-113 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all conditions precedent.

Enacted by Chapter 300, 1994 General Session

**63B-3-114 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 300, 1994 General Session

**63B-3-115 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 300, 1994 General Session

**63B-3-116 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may:
  - (a) publish any resolution it adopts under this chapter:
    - (i) once in a newspaper having general circulation in Utah; and
    - (ii) as required in Section 45-1-101; or
  - (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection 11-14-316(2).
- (2)
  - (a) Any interested person, for 30 days after the date of publication, may contest:
    - (i) the legality of the resolution;
    - (ii) any of the bonds authorized under it; or
    - (iii) any of the provisions made for the security and repayment of the bonds.
  - (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-3-117 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

**Part 2**  
**Highway General Obligation Bonds**

**63B-3-201 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds, to provide funds to the Department of Transportation.

Enacted by Chapter 300, 1994 General Session

**63B-3-202 Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$12,300,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the Department of Transportation as follows:
    - (i) not more than \$7,250,000 to provide funds to pay all or part of the cost of constructing the Bangerter Highway;
    - (ii) not more than \$2,000,000 to provide funds to pay all or part of the cost of enhancing and improving the 90th South interchange;
    - (iii) not more than \$1,000,000 to provide funds to pay all or part of the cost of enhancing and improving the I-15 interchange at South University Avenue in Provo;

- (iv) not more than \$250,000 to provide funds to pay all or part of the cost of the Ogden I-15 Environmental Study; and
- (v) not more than \$1,500,000 to provide funds to pay all or part of the cost of constructing class II sound walls on the interstate system in Salt Lake County according to the Department of Transportation priority list.

(b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.

(3) If, after completion of the projects authorized under Subsection (2)(a) and payment of the costs of issuing and selling the bonds under Section 63B-3-203, any bond proceeds remain unexpended, the Department of Transportation may use those unexpended proceeds to pay all or part of the costs of construction projects approved by the Utah Transportation Commission.

(4) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.

(5) The Department of Transportation may enter into agreements related to that project before the receipt of proceeds of bonds issued under this chapter.

Enacted by Chapter 300, 1994 General Session

**63B-3-203 Bond proceeds may be used to pay costs of issuance and sale.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-3-202 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Enacted by Chapter 300, 1994 General Session

**63B-3-204 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 300, 1994 General Session

**63B-3-205 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;

- (g) place and medium of purchase;
- (h) redemption terms; and
- (i) other provisions and details it considers appropriate.

(2) The commission may by resolution adopt a plan of financing which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.

(3)

- (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
- (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
- (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
- (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.

(4)

- (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
- (b) Bonds in changed denominations shall:
  - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
  - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.

(5)

- (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
- (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302, or protected records as provided in Section 63G-2-305.
- (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and

- (b) enter into agreements with financial and other institutions and attorneys to provide for:
  - (i) the calculation, holding, and payment of those amounts; and
  - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-3-206 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Article XIV, Sec. 1, Utah Constitution.
- (2) For purposes of applying the debt limitation contained in Article XIV, Sec. 1, Utah Constitution, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 300, 1994 General Session

**63B-3-207 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2) (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.  
(b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 300, 1994 General Session

**63B-3-208 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1994 Highway General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 300, 1994 General Session

**63B-3-209 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:

- (a) promptly pay the warrants from funds within the sinking fund; and
- (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 300, 1994 General Session

**63B-3-210 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 300, 1994 General Session

**63B-3-211 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
  - (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-3-212 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 300, 1994 General Session

**63B-3-213 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.

(2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all such conditions.

Enacted by Chapter 300, 1994 General Session

**63B-3-214 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 300, 1994 General Session

**63B-3-215 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 300, 1994 General Session

**63B-3-216 Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

- (a) publish any resolution it adopts under this chapter:
  - (i) once in a newspaper having general circulation in Utah; and
  - (ii) as required in Section 45-1-101; or
- (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection 11-14-316(2).

(2)

- (a) Any interested person, for 30 days after the date of publication, may contest:
  - (i) the legality of the resolution;
  - (ii) any of the bonds authorized under it; or
  - (iii) any of the provisions made for the security and repayment of the bonds.
- (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-3-217 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

**Part 3  
Legislative Intent**

**63B-3-301 Legislative intent -- Additional projects.**

- (1) It is the intent of the Legislature that, for any lease purchase agreement that the Legislature may authorize the Division of Facilities Construction and Management to enter into during its 1994 Annual General Session, the State Building Ownership Authority, at the reasonable rates and amounts it may determine, and with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Planning and Budget, may seek out the most cost effective and prudent lease purchase plans available to the state and may, pursuant to Chapter 1, Part 3, State Building Ownership Authority Act, certificate out interests in, or obligations of the authority pertaining to:
  - (a) the lease purchase obligation; or
  - (b) lease rental payments under the lease purchase obligation.
- (2) It is the intent of the Legislature that the Department of Transportation dispose of surplus real properties and use the proceeds from those properties to acquire or construct through the Division of Facilities Construction and Management a new District Two Complex.
- (3) It is the intent of the Legislature that the Division of Facilities Construction and Management allocate funds from the Capital Improvement appropriation and donations to cover costs associated with the upgrade of the Governor's Residence that go beyond the restoration costs which can be covered by insurance proceeds.
- (4)
  - (a) It is the intent of the Legislature to authorize the State Building Ownership Authority under authority of Chapter 1, Part 3, State Building Ownership Authority Act, to issue or execute obligations or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$10,600,000 for the construction of a Natural Resources Building in Salt Lake City, together with additional amounts necessary to:
    - (i) pay costs of issuance;
    - (ii) pay capitalized interest; and
    - (iii) fund any debt service reserve requirements.
  - (b) It is the intent of the Legislature that the authority seek out the most cost effective and prudent lease purchase plan available with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Planning and Budget.
  - (c) It is the intent of the Legislature that the operating budget for the Department of Natural Resources not be increased to fund these lease payments.
- (5)
  - (a) It is the intent of the Legislature to authorize the State Building Ownership Authority under authority of Chapter 1, Part 3, State Building Ownership Authority Act, to issue or execute obligations or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$8,300,000 for the acquisition of the office buildings currently occupied by the Department of Environmental Quality and approximately 19 acres of additional vacant land at the Airport East Business Park in Salt Lake City, together with additional amounts necessary to:
    - (i) pay costs of issuance;
    - (ii) pay capitalized interest; and
    - (iii) fund any debt service reserve requirements.
  - (b) It is the intent of the Legislature that the authority seek out the most cost effective and prudent lease purchase plan available with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Planning and Budget.

(6)

- (a) It is the intent of the Legislature to authorize the State Building Ownership Authority under authority of Chapter 1, Part 3, State Building Ownership Authority Act, to issue or execute obligations or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$9,000,000 for the acquisition or construction of up to two field offices for the Department of Health and Human Services in the southwestern portion of Salt Lake County, together with additional amounts necessary to:
  - (i) pay costs of issuance;
  - (ii) pay capitalized interest; and
  - (iii) fund any debt service reserve requirements.
- (b) It is the intent of the Legislature that the authority seek out the most cost effective and prudent lease purchase plan available with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Planning and Budget.

(7)

- (a) It is the intent of the Legislature to authorize the State Building Ownership Authority under authority of Chapter 1, Part 3, State Building Ownership Authority Act, to issue or execute obligations or enter into or arrange for lease purchase agreements in which participation interests may be created, to provide up to \$5,000,000 for the acquisition or construction of up to 13 stores for the Department of Alcoholic Beverage Services, together with additional amounts necessary to:
  - (i) pay costs of issuance;
  - (ii) pay capitalized interest; and
  - (iii) fund any debt service reserve requirements.
- (b) It is the intent of the Legislature that the authority seek out the most cost effective and prudent lease purchase plan available with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Planning and Budget.
- (c) It is the intent of the Legislature that the operating budget for the Department of Alcoholic Beverage Services not be increased to fund these lease payments.

(8)

- (a) It is the intent of the Legislature to authorize the State Building Ownership Authority under authority of Chapter 1, Part 3, State Building Ownership Authority Act, to issue or execute obligations or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$6,800,000 for the construction of a Prerelase and Parole Center for the Department of Corrections, containing a minimum of 300 beds, together with additional amounts necessary to:
  - (i) pay costs of issuance;
  - (ii) pay capitalized interest; and
  - (iii) fund any debt service reserve requirements.
- (b) It is the intent of the Legislature that the authority seek out the most cost effective and prudent lease purchase plan available with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Planning and Budget.

(9) If S.B. 275, 1994 General Session, which authorizes funding for a Courts Complex in Salt Lake City, becomes law, it is the intent of the Legislature that:

- (a) the Legislative Management Committee, the Interim Appropriation Subcommittees for General Government and Capital Facilities and Executive Offices, Courts, and Corrections,

the Office of the Legislative Fiscal Analyst, the Governor's Office of Planning and Budget, and the Division of Facilities Construction and Management participate in a review of the proposed facility design for the Courts Complex no later than December 1994; and

(b) although this review will not affect the funding authorization issued by the 1994 Legislature, it is expected that Division of Facilities Construction and Management will give proper attention to concerns raised in these reviews and make appropriate design changes pursuant to the review.

(10) It is the intent of the Legislature that:

(a) the Division of Facilities Construction and Management, in cooperation with the Division of Juvenile Justice and Youth Services, formerly known as the Division of Youth Corrections and then the Division of Juvenile Justice Services, develop a flexible use prototype facility for the Division of Juvenile Justice and Youth Services;

(b) the development process use existing prototype proposals unless it can be quantifiably demonstrated that the proposals cannot be used;

(c) the facility is designed so that with minor modifications, it can accommodate detention, observation and assessment, transition, and secure programs as needed at specific geographical locations;

(d)

(i) funding as provided in the fiscal year 1995 bond authorization for the Division of Youth Corrections , now known as the Division of Juvenile Justice and Youth Services, is used to design and construct one facility and design the other;

(ii) the Division of Juvenile Justice and Youth Services shall:

(A) determine the location for the facility for which design and construction are fully funded; and

(B) in conjunction with the Division of Facilities Construction and Management, determine the best methodology for design and construction of the fully funded facility;

(e) the Division of Facilities Construction and Management submit the prototype as soon as possible to the Infrastructure and General Government Appropriations Subcommittee and Executive Offices, Criminal Justice, and Legislature Appropriation Subcommittee for review;

(f) the Division of Facilities Construction and Management issue a Request for Proposal for one of the facilities, with that facility designed and constructed entirely by the winning firm;

(g) the other facility be designed and constructed under the existing Division of Facilities Construction and Management process;

(h) both facilities follow the program needs and specifications as identified by Division of Facilities Construction and Management and the Division of Juvenile Justice and Youth Services in the prototype; and

(i) the fully funded facility should be ready for occupancy by September 1, 1995.

(11) It is the intent of the Legislature that the fiscal year 1995 funding for the State Fair Park Master Study be used by the Division of Facilities Construction and Management to develop a master plan for the State Fair Park that:

(a) identifies capital facilities needs, capital improvement needs, building configuration, and other long term needs and uses of the State Fair Park and its buildings; and

(b) establishes priorities for development, estimated costs, and projected timetables.

(12) It is the intent of the Legislature that:

(a) the Division of Facilities Construction and Management, in cooperation with the Division of State Parks, formerly known as the Division of Parks and Recreation, and surrounding counties, develop a master plan and general program for the phased development of Antelope Island;

- (b) the master plan:
  - (i) establish priorities for development;
  - (ii) include estimated costs and projected time tables; and
  - (iii) include recommendations for funding methods and the allocation of responsibilities between the parties; and
- (c) the results of the effort be reported to the Natural Resources, Agriculture, and Environmental Quality Appropriations Subcommittee and Infrastructure and General Government Appropriations Subcommittee.

(13) It is the intent of the Legislature to authorize the University of Utah to use:

- (a) bond reserves to plan, design, and construct the Kingsbury Hall renovation under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director; and
- (b) donated and other nonappropriated funds to plan, design, and construct the Biology Research Building under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(14) It is the intent of the Legislature to authorize Utah State University to use:

- (a) federal and other funds to plan, design, and construct the Bee Lab under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director;
- (b) donated and other nonappropriated funds to plan, design, and construct an Athletic Facility addition and renovation under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director;
- (c) donated and other nonappropriated funds to plan, design, and construct a renovation to the Nutrition and Food Science Building under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director; and
- (d) federal and private funds to plan, design, and construct the Millville Research Facility under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(15) It is the intent of the Legislature to authorize Salt Lake Community College to use:

- (a) institutional funds to plan, design, and construct a remodel to the Auto Trades Office and Learning Center under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director;
- (b) institutional funds to plan, design, and construct the relocation and expansion of a temporary maintenance compound under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director; and
- (c) institutional funds to plan, design, and construct the Alder Amphitheater under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(16) It is the intent of the Legislature to authorize Southern Utah University to use:

- (a) federal funds to plan, design, and construct a Community Services Building under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director; and
- (b) donated and other nonappropriated funds to plan, design, and construct a stadium expansion under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(17) It is the intent of the Legislature to authorize the Department of Corrections to use donated funds to plan, design, and construct a Prison Chapel at the Central Utah Correctional Facility

in Gunnison under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(18) If the Utah National Guard does not relocate in the Signetics Building, it is the intent of the Legislature to authorize the Guard to use federal funds and funds from Provo City to plan and design an Armory in Provo, Utah, under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(19) It is the intent of the Legislature that the Utah Department of Transportation use \$250,000 of the fiscal year 1995 highway appropriation to fund an environmental study in Ogden, Utah of the 2600 North Corridor between Washington Boulevard and I-15.

(20) It is the intent of the Legislature that the Ogden-Weber Applied Technology Center use the money appropriated for fiscal year 1995 to design the Metal Trades Building and purchase equipment for use in that building that could be used in metal trades or other programs in other Applied Technology Centers.

(21) It is the intent of the Legislature that the Bridgerland Applied Technology Center and the Ogden-Weber Applied Technology Center projects as designed in fiscal year 1995 be considered as the highest priority projects for construction funding in fiscal year 1996.

(22) It is the intent of the Legislature that:

- (a) the Division of Facilities Construction and Management complete physical space utilization standards by June 30, 1995, for the use of technology education activities;
- (b) these standards are to be developed with and approved by the State Board of Education, the Board of Regents, and the Division of Facilities Construction and Management;
- (c) these physical standards be used as the basis for:
  - (i) determining utilization of any technology space based on number of stations capable and occupied for any given hour of operation; and
  - (ii) requests for any new space or remodeling;
- (d) the fiscal year 1995 projects at the Bridgerland Applied Technology Center and the Ogden-Weber Applied Technology Center are exempt from this process; and
- (e) the design of the Davis Applied Technology Center take into account the utilization formulas established by the Division of Facilities Construction and Management.

(23) It is the intent of the Legislature that Utah Valley State College may use the money from the bond allocated to the remodel of the Signetics building to relocate its technical education programs at other designated sites or facilities under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(24) It is the intent of the Legislature that the money provided for the fiscal year 1995 project for the Bridgerland Applied Technology Center be used to design and construct the space associated with Utah State University and design the technology center portion of the project.

(25) It is the intent of the Legislature that the governor provide periodic reports on the expenditure of the funds provided for electronic technology, equipment, and hardware to the Infrastructure and General Government Appropriations Subcommittee, and the Legislative Management Committee.

Amended by Chapter 240, 2024 General Session

## Chapter 4 1995 Bonding

### Part 1 Capital Improvement Bonds

#### **63B-4-101 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds to provide funds to the division.

Enacted by Chapter 329, 1995 General Session

#### **63B-4-102 Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$45,300,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.
  - (c) For the division, proceeds shall be provided for the following:

#### CAPITAL IMPROVEMENTS

Alterations, Repairs, and Improvements	\$7,200,000
<b>TOTAL IMPROVEMENTS</b>	<b>\$7,200,000</b>

#### CAPITAL AND ECONOMIC DEVELOPMENT

PROJECT DESCRIPTION	AMOUNT FUNDED	ESTIMATED OPERATIONS AND MAINTENANCE COSTS
Corrections - Uinta IVA	\$11,300,000	\$212,800
Utah County Youth Correctional Facility	\$6,650,000	\$245,000
Ogden Weber Applied Technology Center - Metal Trades	\$5,161,000	\$176,000
Project Reserve Fund	\$3,500,000	None
Weber State University - Browning Center Remodel	\$3,300,000	None
Heber Wells Building Remodel	\$2,000,000	None

Higher Education Davis County - Land Purchase	\$1,600,000	None
National Guard -- Provo Armory	\$1,500,000	\$128,000
Department of Natural Resources - Pioneer Trails Visitor Center	\$900,000	\$65,000
Higher Education Design Projects	\$800,000	Varies depending upon projects selected
Salt Lake Community College - South Valley Planning	\$300,000	None
Division of Youth Corrections renamed in 2003 to the Division of Juvenile Justice Services, now known as the Division of Juvenile Justice and Youth Services - Logan Land Purchase	\$120,000	None
<b>TOTAL CAPITAL AND ECONOMIC DEVELOPMENT</b>		<b>\$37,131,000</b>
<b>TOTAL IMPROVEMENTS AND CAPITAL AND ECONOMIC DEVELOPMENT</b>		<b>\$44,331,000</b>

(d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;
- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

(3)

- (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
- (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
- (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.

(4)

- (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
- (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
- (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
- (d) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.

(5)

- (a) For those projects for which only partial funding is provided in Subsection (2), it is the intent of the Legislature that the balance necessary to complete the projects be addressed by future Legislatures, either through appropriations or through the issuance or sale of bonds.

- (b) For those phased projects, the division may enter into contracts for amounts not to exceed the anticipated full project funding but may not allow work to be performed on those contracts in excess of the funding already authorized by the Legislature.
- (c) Those contracts shall contain a provision for termination of the contract for the convenience of the state.
- (d) It is also the intent of the Legislature that this authorization to the division does not bind future Legislatures to fund projects initiated from this authorization.

Amended by Chapter 240, 2024 General Session

**63B-4-103 Use of bond proceeds for issuance and other costs.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-4-102 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Enacted by Chapter 329, 1995 General Session

**63B-4-104 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 329, 1995 General Session

**63B-4-105 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;
  - (h) redemption terms; and
  - (i) other provisions and details it considers appropriate.
- (2) The commission may by resolution adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)

- (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
- (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
- (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
- (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.

(4)

- (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
- (b) Bonds in changed denominations shall:
  - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
  - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.

(5)

- (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
- (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302 or protected records as provided in Section 63G-2-305.
- (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:
  - (i) the calculation, holding, and payment of those amounts; and
  - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-4-106 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Article XIV, Section 1, Utah Constitution.

(2) For purposes of applying the debt limitation contained in Article XIV, Section 1, Utah Constitution, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 329, 1995 General Session

**63B-4-107 Tax levy -- Abatement of tax.**

(1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:

- (a) applicable bond redemption premiums, if any;
- (b) interest on the bonds as it becomes due; and
- (c) principal of the bonds as it becomes due.

(2)

- (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.
- (b) The tax shall be collected and the proceeds applied as provided in this chapter.

(3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 329, 1995 General Session

**63B-4-108 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1995 General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 329, 1995 General Session

**63B-4-109 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 329, 1995 General Session

**63B-4-110 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.

(2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 329, 1995 General Session

**63B-4-111 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

(1)

- (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
- (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
- (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.

(2)

- (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
- (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.

(3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-4-112 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 329, 1995 General Session

**63B-4-113 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all conditions precedent.

Enacted by Chapter 329, 1995 General Session

**63B-4-114 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 329, 1995 General Session

**63B-4-115 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 329, 1995 General Session

**63B-4-116 Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

- (a) publish any resolution it adopts under this chapter:
  - (i) once in a newspaper having general circulation in Utah; and
  - (ii) as required in Section 45-1-101; or
- (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection 11-14-316(2).

(2)

- (a) Any interested person, for 30 days after the date of publication, may contest:
  - (i) the legality of the resolution;
  - (ii) any of the bonds authorized under it; or
  - (iii) any of the provisions made for the security and repayment of the bonds.
- (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-4-117 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

**Part 2**  
**Capital Facilities Bonds**

**63B-4-201 Legislative intent statements -- Capital facilities.**

(1)

- (a) It is the intent of the Legislature that the University of Utah use institutional and other funds to plan, design, and construct two campus child care centers under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.
- (b) The university shall work with Salt Lake City and the surrounding neighborhood to ensure site compatibility for future recreational development by the city.

(2) It is the intent of the Legislature that the University of Utah use institutional funds to plan, design, and construct:

- (a) the Union Parking structure under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director;
- (b) the stadium renovation under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director;
- (c) the Huntsman Cancer Institute under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director;
- (d) the Business Case Method Building under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director; and
- (e) the Fine Arts Museum expansion under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(3) It is the intent of the Legislature that Utah State University use institutional funds to plan, design, and construct:

- (a) a student health services facility under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director;
- (b) a women's softball field under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director;
- (c) an addition to the Nutrition and Food Services Building under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director; and
- (d) a Human Resource Research Center under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(4) It is the intent of the Legislature that Weber State University use institutional funds to plan, design, and construct:

- (a) a track renovation under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director; and
- (b) the Dee Events Center offices under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(5) It is the intent of the Legislature that Southern Utah University use:

- (a) institutional funds to plan, design, and construct an institutional residence under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director; and
- (b) project revenues and other funds to plan, design, and construct the Shakespearean Festival support facilities under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(6) It is the intent of the Legislature that Dixie College use institutional funds to plan, design, and construct an institutional residence under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(7) It is the intent of the Legislature that the Division of Forestry, Fire, and State Lands use federal and other funds to plan, design, and construct a wetlands enhancement facility under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(8)

- (a) As provided in Subsection 63A-5b-609(2), the funds appropriated to the Project Reserve Fund may only be used for the award of contracts in excess of the construction budget if these funds are required to meet the intent of the project.
- (b) It is the intent of the Legislature that:
  - (i) up to \$2,000,000 of the amount may be used to award the construction contract for the Ogden Court Building; and
  - (ii) the need for any funds remaining as of December 31, 1995 be reviewed by the 1996 Legislature.

(9)

- (a) It is the intent of the Legislature that the State Building Ownership Authority, under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, issue or execute obligations or enter into or arrange for a lease purchase agreement in which participation interests may be created to provide up to \$539,700 for the purchase and demolition of the Keyston property and construction of parking facilities adjacent to the State Board of Education building in Salt Lake City, with additional amounts necessary to:
  - (i) pay costs of issuance;
  - (ii) pay capitalized interest; and
  - (iii) fund any debt service reserve requirements.
- (b) It is the intent of the Legislature that the authority seek out the most cost effective and prudent lease purchase plan available with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Planning and Budget.

(10)

- (a) It is the intent of the Legislature that the money appropriated for Phase One of the Remodeling/Life Safety Upgrades of the Browning Fine Arts Center at Weber State University is to include design of full code compliance, life safety, space necessary to maintain required programs, and seismic upgrades.
- (b) The design shall identify the full scope and cost of Phase Two of the remodeling for funding consideration in the fiscal year 1997 budget cycle.

(11) It is the intent of the Legislature that:

- (a) the fiscal year 1996 appropriation for the Davis County Higher Education land purchase includes up to \$250,000 for planning purposes;
- (b) the Division of Facilities Construction and Management, the Board of Regents, and the assigned institution of higher education work jointly to ensure the following elements are part of the planning process:
  - (i) projections of student enrollment and programmatic needs for the next 10 years;
  - (ii) review and make recommendations for better use of existing space, current technologies, public/private partnerships, and other alternatives as a means to reduce the need for new facilities and still accommodate the projected student needs; and
  - (iii) use of a master plan that includes issues of utilities, access, traffic circulation, drainage, rights of way, future developments, and other infrastructure items considered appropriate; and
- (c) every effort is used to minimize expenditures for this part until a definitive decision has been made by BRACC relative to Hill Air Force Base.

(12)

- (a) It is the intent of the Legislature that the State Building Ownership Authority, under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, issue or execute obligations or enter into or arrange for a lease purchase agreement in which participation

interests may be created, to provide up to \$7,400,000 for the acquisition and improvement of the Human Services Building located at 120 North 200 West, Salt Lake City, Utah, with associated parking for the Department of Human Services together with additional amounts necessary to:

- (i) pay costs of issuance;
- (ii) pay capitalized interest; and
- (iii) fund any debt service reserve requirements.

(b) It is the intent of the Legislature that the authority seek out the most cost effective and prudent lease purchase plan available with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Planning and Budget.

(13)

- (a) It is the intent of the Legislature that the State Building Ownership Authority, under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, issue or execute obligations or enter into or arrange for a lease purchase agreement in which participation interests may be created to provide up to \$63,218,600 for the construction of a Salt Lake Courts Complex together with additional amounts necessary to:
  - (i) pay costs of issuance;
  - (ii) pay capitalized interest; and
  - (iii) fund any debt service reserve requirements.
- (b) It is the intent of the Legislature that the authority seek out the most cost effective and prudent lease purchase plan available with technical assistance from the state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Planning and Budget.
- (c) It is the intent of the Legislature that the Division of Facilities Construction and Management lease land to the State Building Ownership Authority for the construction of a Salt Lake Courts Complex.

(14) It is the intent of the Legislature that:

- (a) the Board of Regents use the higher education design project money to design no more than two higher education projects from among the following projects:
  - (i) Utah State University Eastern - Student Center;
  - (ii) Snow College - Noyes Building;
  - (iii) University of Utah - Gardner Hall;
  - (iv) Utah State University - Widtsoe Hall; or
  - (v) Southern Utah University - Physical Education Building; and
- (b) the higher education institutions that receive approval from the Board of Regents to design projects under this chapter design those projects under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(15) It is the intent of the Legislature that:

- (a) the Board of Regents may authorize the University of Utah to use institutional funds and donated funds to design Gardner Hall; and
- (b) if authorized by the Board of Regents, the University of Utah may use institutional funds and donated funds to design Gardner Hall under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.

(16) It is the intent of the Legislature that the Division of Facilities Construction and Management use up to \$250,000 of the capital improvement money to fund the site improvements required at the San Juan campus of the Utah State University Eastern.

Amended by Chapter 382, 2021 General Session

### **Part 3 Wasatch Mountain State Park Bonds**

#### **63B-4-301 Bonds for golf course at Wasatch Mountain State Park.**

(1) The State Building Ownership Authority under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$2,500,000 for a new nine-hole golf course at Wasatch Mountain State Park for the Division of State Parks, formerly known as the Division of Parks and Recreation, together with additional amounts necessary to:

- (a) pay costs of issuance;
- (b) pay capitalized interest; and
- (c) fund any debt service reserve requirements.

(2)

- (a) The State Building Ownership Authority shall work cooperatively with the Division of State Parks, formerly known as the Division of Parks and Recreation, to seek out the most cost effective and prudent lease purchase plan available.
- (b) The state treasurer, the director of the Division of Finance, and the executive director of the Governor's Office of Planning and Budget shall provide technical assistance to accomplish the purpose specified in Subsection (2)(a).

Amended by Chapter 280, 2021 General Session

Amended by Chapter 382, 2021 General Session

### **Chapter 5 1996 Bonding**

#### **Part 1 General Obligation Bonds**

#### **63B-5-101 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds to provide funds to the division.

Enacted by Chapter 335, 1996 General Session

#### **63B-5-102 Maximum amount -- Projects authorized.**

(1) The total amount of bonds issued under this part may not exceed \$32,000,000.

(2)

- (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).
- (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.
- (c) For the division, proceeds shall be provided for the following:

**CAPITAL IMPROVEMENTS**

Alterations, Repairs, and Improvements	\$7,600,000
<b>TOTAL IMPROVEMENTS</b>	<b>\$7,600,000</b>

**CAPITAL AND ECONOMIC DEVELOPMENT**

PROJECT DESCRIPTION	AMOUNT FUNDED	ESTIMATED OPERATIONS AND MAINTENANCE COSTS
Corrections - Gunnison (192 Beds)	\$13,970,000	\$210,000
University of Utah -- Gardner Hall	\$7,361,000	\$203,900
Weber State University Davis Campus -- Land Purchase	\$771,000	None
Department of Workforce Services Cedar City -- Land Purchase	\$148,000	None
Utah State University Eastern Durrant School -- Land Purchase	\$400,000	None
State Hospital - Forensic Design (200 beds)	\$750,000	\$575,000
<b>TOTAL CAPITAL AND ECONOMIC DEVELOPMENT</b>	<b>\$23,400,000</b>	
<b>TOTAL IMPROVEMENTS AND CAPITAL AND ECONOMIC DEVELOPMENT</b>	<b>\$31,000,000</b>	

(d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;
- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

(3)

- (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.

- (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
- (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.

(4)

- (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
- (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
- (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
- (d) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.

(5)

- (a) For those projects for which only partial funding is provided in Subsection (2), it is the intent of the Legislature that the balance necessary to complete the projects be addressed by future Legislatures, either through appropriations or through the issuance or sale of bonds.
- (b) For those phased projects, the division may enter into contracts for amounts not to exceed the anticipated full project funding but may not allow work to be performed on those contracts in excess of the funding already authorized by the Legislature.
- (c) Those contracts shall contain a provision for termination of the contract for the convenience of the state.
- (d) It is also the intent of the Legislature that this authorization to the division does not bind future Legislatures to fund projects initiated from this authorization.

Amended by Chapter 196, 2014 General Session

**63B-5-103 Use of bond proceeds for issuance and other costs.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-5-102 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Enacted by Chapter 335, 1996 General Session

**63B-5-104 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 335, 1996 General Session

**63B-5-105 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;
  - (h) redemption terms; and
  - (i) other provisions and details it considers appropriate.
- (2) The commission may by resolution adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)
  - (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
  - (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
  - (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
  - (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.
- (4)
  - (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
  - (b) Bonds in changed denominations shall:
    - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
    - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.
- (5)
  - (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
  - (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
  - (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations are made, are private records as provided in Section 63G-2-302 or protected records as provided in Section 63G-2-305.
  - (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with

Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:
  - (i) the calculation, holding, and payment of those amounts; and
  - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-5-106 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.
- (2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 335, 1996 General Session

**63B-5-107 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2) (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.  
(b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 335, 1996 General Session

**63B-5-108 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1996 General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 335, 1996 General Session

**63B-5-109 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 335, 1996 General Session

**63B-5-110 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 335, 1996 General Session

**63B-5-111 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
  - (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-5-112 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 335, 1996 General Session

**63B-5-113 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all conditions precedent.

Enacted by Chapter 335, 1996 General Session

**63B-5-114 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 335, 1996 General Session

**63B-5-115 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 335, 1996 General Session

**63B-5-116 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may:
  - (a) publish any resolution it adopts under this chapter:
    - (i) once in a newspaper having general circulation in Utah; and
    - (ii) as required in Section 45-1-101; or
  - (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection 11-14-316(2).
- (2) (a) Any interested person, for 30 days after the date of publication, may contest:
  - (i) the legality of the resolution;
  - (ii) any of the bonds authorized under it; or
  - (iii) any of the provisions made for the security and repayment of the bonds.
- (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-5-117 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

## Part 2

### Revenue Bond Authorizations and Other Capital Facilities Authorizations

#### 63B-5-201 Legislative intent statements.

- (1) If the United States Department of Defense has not provided matching funds to construct the National Guard Armory in Orem by December 31, 1997, the Division of Facilities Construction and Management shall transfer any funds received from issuance of a General Obligation Bond for benefit of the Orem Armory to the Provo Armory for capital improvements.
- (2) It is the intent of the Legislature that the University of Utah use institutional funds to plan, design, and construct:
  - (a) the Health Science East parking structure under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director;
  - (b) the Health Science Office Building under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director; and
  - (c) the new Student Housing/Olympic Athletes Village under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.
- (3) It is the intent of the Legislature that Utah State University use institutional funds to plan, design, and construct a multipurpose facility under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.
- (4) It is the intent of the Legislature that the Utah Geologic Survey use agency internal funding to plan, design, and construct a sample library facility under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.
- (5) (a) If legislation introduced in the 1996 General Session to fund the Wasatch State Park Club House does not pass, the State Building Ownership Authority, under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$1,500,000 for the remodel and expansion of the clubhouse at Wasatch Mountain State Park for the Division of State Parks, formerly known as the Division of Parks and Recreation, together with additional amounts necessary to:
  - (i) pay costs of issuance;
  - (ii) pay capitalized interest; and
  - (iii) fund any debt service reserve requirements.  
(b) The State Building Ownership Authority shall work cooperatively with the Division of State Parks, formerly known as the Division of Parks and Recreation, to seek out the most cost effective and prudent lease purchase plan available.
- (6) (a) The State Building Ownership Authority, under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide

up to \$835,300 for the construction of a liquor store in the Snyderville area, together with additional amounts necessary to:

- (i) pay costs of issuance;
- (ii) pay capitalized interest; and
- (iii) fund any debt service reserve requirements.

(b) The State Building Ownership Authority shall work cooperatively with the Department of Alcoholic Beverage Services to seek out the most cost effective and prudent lease purchase plan available.

(7)

(a) The State Building Ownership Authority, under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$15,000,000 for the construction of the Huntsman Cancer Institute, together with additional amounts necessary to:

- (i) pay costs of issuance;
- (ii) pay capitalized interest; and
- (iii) fund any debt service reserve requirements.

(b) The State Building Ownership Authority shall work cooperatively with the University of Utah to seek out the most cost effective and prudent lease purchase plan available.

(c) It is the intent of the Legislature that the University of Utah lease land to the State Building Ownership Authority for the construction of the Huntsman Cancer Institute facility.

(8)

(a) The State Building Ownership Authority, under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$857,600 for the construction of an addition to the Human Services facility in Vernal, Utah together with additional amounts necessary to:

- (i) pay costs of issuance;
- (ii) pay capitalized interest; and
- (iii) fund any debt service reserve requirements.

(b) The State Building Ownership Authority shall work cooperatively with the Department of Health and Human Services to seek out the most cost effective and prudent lease purchase plan available.

(9)

(a) The State Building Ownership Authority, under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$3,470,200 for the construction of the Student Services Center, at Utah State University Eastern, together with additional amounts necessary to:

- (i) pay costs of issuance;
- (ii) pay capitalized interest; and
- (iii) fund any debt service reserve requirements.

(b) The State Building Ownership Authority shall work cooperatively with Utah State University Eastern to seek out the most cost effective and prudent lease purchase plan available.

(10)

(a) Notwithstanding anything to the contrary in Title 53H, Chapter 9, Part 3, Revenue Bonds, which prohibits the issuance of revenue bonds payable from legislative appropriations, the State Board of Regents, on behalf of Utah Tech University, may issue, sell, and deliver

revenue bonds or other evidences of indebtedness of Utah Tech University to borrow money on the credit of the income and revenues, including legislative appropriations, of Utah Tech University, to finance the acquisition of the Dixie Center.

(b)

- (i) The bonds or other evidences of indebtedness authorized by this section shall be issued in accordance with Title 53H, Chapter 9, Part 3, Revenue Bonds, under terms and conditions and in amounts that the board, by resolution, determines are reasonable and necessary and may not exceed \$6,000,000 together with additional amounts necessary to:
  - (A) pay cost of issuance;
  - (B) pay capitalized interest; and
  - (C) fund any debt service reserve requirements.
- (ii) To the extent that future legislative appropriations will be required to provide for payment of debt service in full, the board shall ensure that the revenue bonds are issued containing a clause that provides for payment from future legislative appropriations that are legally available for that purpose.

(11)

- (a) The State Building Ownership Authority, under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$10,479,000 for the construction of a facility for the Courts - Davis County Regional Expansion, together with additional amounts necessary to:
  - (i) pay costs of issuance;
  - (ii) pay capitalized interest; and
  - (iii) fund any debt service reserve requirements.
- (b) The State Building Ownership Authority shall work cooperatively with the Administrative Office of the Courts to seek out the most cost effective and prudent lease purchase plan available.

(12)

- (a) The State Building Ownership Authority, under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$4,200,000 for the purchase and remodel of the Washington County Courthouse, together with additional amounts necessary to:
  - (i) pay costs of issuance;
  - (ii) pay capitalized interest; and
  - (iii) fund any debt service reserve requirements.
- (b) The State Building Ownership Authority shall work cooperatively with the Administrative Office of the Courts to seek out the most cost effective and prudent lease purchase plan available.

(13)

- (a) The State Building Ownership Authority, under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$14,299,700 for the construction of a facility for the State Library and the Division of Services for the Blind and Visually Impaired, together with additional amounts necessary to:
  - (i) pay costs of issuance;
  - (ii) pay capitalized interest; and
  - (iii) fund any debt service reserve requirements.

(b) The State Building Ownership Authority shall work cooperatively with the State Board of Education and the Governor's Office of Economic Opportunity to seek out the most cost effective and prudent lease purchase plan available.

Amended by Chapter 9, 2025 Special Session 1

## **Chapter 6 1997 Bonding**

### **Part 1 Capital Facilities General Obligation Bonds**

#### **63B-6-101 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds to provide funds to the division.

Enacted by Chapter 391, 1997 General Session

#### **63B-6-102 Maximum amount -- Projects authorized.**

(1) The total amount of bonds issued under this part may not exceed \$57,000,000.

(2)

(a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).

(b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.

(c) For the division, proceeds shall be provided for the following:

#### **CAPITAL AND ECONOMIC DEVELOPMENT**

PROJECT DESCRIPTION	AMOUNT FUNDED	ESTIMATED OPERATIONS AND MAINTENANCE
Youth Corrections - Carbon / Emery (18 beds)	\$2,298,100	\$70,000
State Hospital - 100 bed Forensic Facility	\$13,800,700	\$320,600
Utah State University - Widtsoe Hall	\$23,986,700	\$750,200
Davis Applied Technology Center - Medical/Health Tech Addition	\$6,344,900	\$144,000
Southern Utah University -- Physical Education Building (Design)	\$1,100,000	\$456,100

Salt Lake Community College -- High Technology Building, 90th So. Campus (Design)	\$1,165,000	\$718,500
Department of Natural Resources - Antelope Island Road	\$3,600,000	None
Youth Corrections - Region 1 72 Secured Bed Facility	\$1,500,000	None
Department of Natural Resources - Dead Horse Point Visitors Center	\$1,350,000	\$5,700
<b>TOTAL CAPITAL AND ECONOMIC DEVELOPMENT</b>		<b>\$55,145,400</b>

(d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;
- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

(3)

- (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
- (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
- (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.

(4)

- (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
- (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
- (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
- (d) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.

(5)

- (a) For those projects for which only partial funding is provided in Subsection (2), it is the intent of the Legislature that the balance necessary to complete the projects be addressed by future Legislatures, either through appropriations or through the issuance or sale of bonds.
- (b) For those phased projects, the division may enter into contracts for amounts not to exceed the anticipated full project funding but may not allow work to be performed on those contracts in excess of the funding already authorized by the Legislature.
- (c) Those contracts shall contain a provision for termination of the contract for the convenience of the state.
- (d) It is also the intent of the Legislature that this authorization to the division does not bind future Legislatures to fund projects initiated from this authorization.

Amended by Chapter 196, 2014 General Session

**63B-6-103 Use of bond proceeds for issuance and other costs.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-6-102 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Enacted by Chapter 391, 1997 General Session

**63B-6-104 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rate or rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 391, 1997 General Session

**63B-6-105 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;
  - (h) redemption terms; and
  - (i) other provisions and details it considers appropriate.
- (2) The commission may by resolution adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)
  - (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
  - (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
  - (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.

- (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.
- (4)
  - (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
  - (b) Bonds in changed denominations shall:
    - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
    - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.
- (5)
  - (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
  - (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
  - (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations are made, are private records as provided in Section 63G-2-302 or protected records as provided in Section 63G-2-305.
  - (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.
- (6) The commission may:
  - (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
  - (b) enter into agreements with financial and other institutions and attorneys to provide for:
    - (i) the calculation, holding, and payment of those amounts; and
    - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-6-106 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.
- (2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 391, 1997 General Session

**63B-6-107 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2) (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.  
(b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 391, 1997 General Session

**63B-6-108 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1997 General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 391, 1997 General Session

**63B-6-109 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 391, 1997 General Session

**63B-6-110 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 391, 1997 General Session

**63B-6-111 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
  - (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-6-112 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 391, 1997 General Session

**63B-6-113 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all conditions precedent.

Enacted by Chapter 391, 1997 General Session

**63B-6-114 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 391, 1997 General Session

**63B-6-115 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 391, 1997 General Session

**63B-6-116 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may:
  - (a) publish any resolution it adopts under this chapter:
    - (i) once in a newspaper having general circulation in Utah; and
    - (ii) as required in Section 45-1-101; or
  - (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection 11-14-316(2).
- (2)
  - (a) Any interested person, for 30 days after the date of publication, may contest:
    - (i) the legality of the resolution;
    - (ii) any of the bonds authorized under it; or
    - (iii) any of the provisions made for the security and repayment of the bonds.
  - (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-6-117 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

**Part 2**  
**1997 Highway General Obligation Bond Authorization**

**63B-6-201 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds, to provide funds to the Department of Transportation.

Enacted by Chapter 270, 1997 General Session

**63B-6-202 Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$600,000,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the Department of Transportation to provide funds to pay all or part of the costs of state highway construction projects.
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of Chapter 6, Part 3, 1997 Highway Bond Anticipation Note Authorization, and all related engineering, architectural, and legal fees.

- (3) If, after completion of the projects authorized under Subsection (2)(a) and payment of the costs of issuing and selling the bonds under Section 63B-6-203, any bond proceeds remain unexpended, the Department of Transportation may use those unexpended proceeds to pay all or part of the costs of construction projects approved by the Transportation Commission.
- (4) The commission, may, by resolution, make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (5) The Department of Transportation may enter into agreements related to that project before the receipt of proceeds of bonds issued under this chapter.

Amended by Chapter 316, 1998 General Session

**63B-6-203 Bond proceeds may be used to pay costs of issuance and sale.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-6-202 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discount.

Enacted by Chapter 270, 1997 General Session

**63B-6-204 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 270, 1997 General Session

**63B-6-205 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;
  - (h) redemption terms; and
  - (i) other provisions and details it considers appropriate.
- (2) The commission may, by resolution, adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)

- (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
- (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
- (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
- (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.

(4)

- (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
- (b) Bonds in changed denominations shall:
  - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
  - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.

(5)

- (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
- (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302, or protected records as provided in Section 63G-2-305.
- (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:
  - (i) the calculation, holding, and payment of those amounts; and
  - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-6-206 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.

(2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 270, 1997 General Session

**63B-6-207 Tax levy -- Abatement of tax.**

(1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:

- (a) applicable bond redemption premiums, if any;
- (b) interest on the bonds as it becomes due; and
- (c) principal of the bonds as it becomes due.

(2)

- (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.
- (b) The tax shall be collected and the proceeds applied as provided in this chapter.

(3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 270, 1997 General Session

**63B-6-208 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1997 Highway General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 270, 1997 General Session

**63B-6-209 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 270, 1997 General Session

**63B-6-210 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.

(2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 270, 1997 General Session

**63B-6-211 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

(1)

- (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
- (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
- (c) The commission, by resolution, may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.

(2)

- (a) The commission, by resolution, shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
- (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.

(3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-6-212 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 270, 1997 General Session

**63B-6-213 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all such conditions.

Enacted by Chapter 270, 1997 General Session

**63B-6-214 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 270, 1997 General Session

### **63B-6-215 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 270, 1997 General Session

### **63B-6-216 Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

- (a) publish any resolution it adopts under this chapter:
  - (i) once in a newspaper having general circulation in Utah; and
  - (ii) as required in Section 45-1-101; or
- (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection 11-14-316(2).

(2)

- (a) Any interested person, for 30 days after the date of publication, may contest:
  - (i) the legality of the resolution;
  - (ii) any of the bonds authorized under it; or
  - (iii) any of the provisions made for the security and repayment of the bonds.
- (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

### **63B-6-217 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

## **Part 3** **1997 Highway Bond Anticipation Note Authorization**

### **63B-6-301 Definitions.**

As used in this part:

- (1) "Bond anticipation note" means a note issued in anticipation of the receipt of the proceeds of the sale of the bonds authorized under Part 2, 1997 Highway General Obligation Bond Authorization.
- (2) "Flexible note" means a bond anticipation note whose interest is payable at, and on one or more dates before, maturity.
- (3)
  - (a) "Short-term series note" means a bond anticipation note that is one of a series of notes issued pursuant to a financing program under which it is expected that:

- (i) each note will be paid from the proceeds of one or more renewal notes of that series; and
- (ii) the final note or notes of the series will be paid from:
  - (A) the proceeds of bonds in anticipation of the receipt of which the note or notes were issued; or
  - (B) money of the state on hand and legally available for that purpose.

(b) "Short-term series note" includes any note issued pursuant to a revolving credit agreement or other similar liquidity facility for the purpose of renewing or paying outstanding short-term series notes on their stated maturity dates when those short-term series notes are not renewed or paid from the proceeds of one or more other renewal notes of the series.

Enacted by Chapter 270, 1997 General Session

**63B-6-302 Authorization, terms, and procedures.**

- (1) The state treasurer may, by written order, issue bond anticipation notes and renewals of bond anticipation notes, including, but not limited to, flexible notes and short-term series notes, in the form and with the terms that the state treasurer determines.
- (2) The state treasurer may:
  - (a) enter into whatever agreements with other persons that the state treasurer considers necessary or appropriate in connection with the issuance, sale, and resale of the notes; and
  - (b) resell or retire any notes purchased by the state before the stated maturity of those notes.
- (3)
  - (a) The notes and renewals of the notes shall:
    - (i) bear the interest rate or rates as determined by the state treasurer; and
    - (ii) mature within a period not to exceed three years.
  - (b) The notes and renewals of notes may:
    - (i) bear a variable interest rate; and
    - (ii) be redeemed prior to maturity by the state treasurer, but only in accordance with the provisions of the notes relating to redemption prior to maturity.
- (4) The proceeds from the sale of the notes may be used only for:
  - (a) the purposes established in Section 63B-6-202;
  - (b) the payment of principal of and, if not otherwise provided, interest on, bond anticipation notes;
  - (c) the payment of costs of issuance; or
  - (d) any combination of Subsections (4)(a), (b), and (c).
- (5)
  - (a) All of the notes and any renewals of the notes shall be payable from the proceeds of the sale of bonds.
  - (b) A renewal of any note may not be issued after the sale of bonds in anticipation of which the original note was issued.
- (6) If a sale of the bonds has not occurred before the maturity of the notes issued in anticipation of the sale, the state treasurer shall, in order to meet the notes then maturing:
  - (a) issue renewal notes for that purpose;
  - (b) pay the notes from state money legally available for paying those notes; or
  - (c) any combination of Subsections (6)(a) and (b).
- (7) Each note and any renewal of any note, with the interest on the note or renewal, constitute general obligations of the state.
- (8) Each note and any renewal of any note, with the interest on the note or renewal, shall be:
  - (a) secured by the full faith, credit, and resources of the state in the manner provided in Part 2, 1997 Highway General Obligation Bond Authorization;

- (b) payable from:
  - (i) the proceeds of the sale of the bonds and not from any other borrowing; and
  - (ii) money of the state on hand and legally available for that purpose; or
  - (iii) any combination of Subsections (8)(b)(i) and (ii); and
- (c) payable within five years from the date of original issue.

(9) The total amount of notes or renewals of notes issued and outstanding at any one time may not exceed the lesser of:

- (a) the total amount of bonds authorized to be issued but not yet issued; or
- (b) \$260,000,000.

(10) The state treasurer shall, in the state treasurer's annual report to the governor, include a detailed statement of all notes and bonds issued during the year and of the state treasurer's actions in relation to them.

Amended by Chapter 302, 2025 General Session

**63B-6-303 Purchase and redemption requirements.**

- (1) The notes and renewals of notes may provide the holders of the notes or renewals of notes with the right to require the state or other persons to purchase or redeem the notes or renewal notes before the stated maturity of the notes or renewals.
- (2) Notwithstanding Subsection (1), the holders of the notes and renewals of notes may not be provided with the right to require the state to repurchase or redeem the notes and renewals of the notes before their stated maturity unless the state has entered into one or more letter of credit agreements or other liquidity facility agreements:
  - (a) for the express purpose of those sales;
  - (b) that require a financially responsible party or parties to the agreement or agreements, other than the state, to purchase or redeem all or any portion of the notes and renewals of notes tendered by the holders of the notes or renewals of notes for repurchase or redemption before the stated maturity of the notes and renewals of notes; and
  - (c) that continue until the right of the holders of the notes and renewals of notes to require repurchase or redemption of the notes and renewals of notes before the stated maturity has ceased.

Enacted by Chapter 270, 1997 General Session

**63B-6-304 General provisions -- Funds and accounts.**

- (1)
  - (a) Sections 63B-6-205, 63B-6-206, 63B-6-213, 63B-6-214, 63B-6-215, and 63B-6-216 apply to any notes or renewals of notes issued under this part.
  - (b)
    - (i) For purposes of this part, any action that those sections require or permit the commission to take shall be considered sufficient if taken by the state treasurer.
    - (ii) The treasurer may take action by issuing a written order, or in some other manner that he finds necessary or convenient, to accomplish the purposes of this part.
- (2) The treasurer may:
  - (a) in a written order, establish whatever funds and accounts are necessary or desirable to carry out the purposes of this part; and

(b) until the money is needed for the purpose for which the fund or account was created, invest the money held in those funds and accounts by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act.

Amended by Chapter 342, 2011 General Session

## **Part 4** **Computer System General Obligation Bonds**

### **63B-6-401 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds to provide funds to the State Tax Commission.

Enacted by Chapter 391, 1997 General Session

### **63B-6-402 Maximum amount -- Projects authorized.**

(1) The total amount of bonds issued under this part may not exceed \$9,000,000.

(2)

(a) Proceeds from the issuance of bonds shall be provided to the State Tax Commission to provide funds to pay all or part of the cost of the project described in this Subsection (2).

(b) These costs may include:

(i) the cost of acquisition, development, and conversion of computer hardware and software for motor vehicle fee systems and tax collection and accounting systems of the state;

(ii) interest estimated to accrue on these bonds during the period to be covered by that development and conversion, plus a period of six months following the completion of the development and conversion; and

(iii) all related engineering, consulting, and legal fees.

(c) For the State Tax Commission, proceeds shall be provided for the following:

PROJECT DESCRIPTION	AMOUNT FUNDED
UTAX SYSTEMS ACQUISITION AND DEVELOPMENT	\$8,500,000

(3) The commission, by resolution may decline to issue bonds if the project could be construed to violate state law or federal law or regulation.

(4)

(a) For this project, for which only partial funding is provided in Subsection (2), it is the intent of the Legislature that the balance necessary to complete the project be addressed by future Legislatures, either through appropriations or through the issuance or sale of bonds.

(b) The State Tax Commission may enter into contracts for amounts not to exceed the anticipated full project funding but may not allow work to be performed on those contracts in excess of the funding already authorized by the Legislature.

(c) Those contracts shall contain a provision for termination of the contract for the convenience of the state.

(d) It is also the intent of the Legislature that this authorization to the State Tax Commission does not bind future Legislatures to fund projects initiated from this authorization.

Amended by Chapter 196, 2014 General Session

**63B-6-403 Use of bond proceeds for issuance and other costs.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-6-402 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Enacted by Chapter 391, 1997 General Session

**63B-6-404 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rate or rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 391, 1997 General Session

**63B-6-405 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;
  - (h) redemption terms; and
  - (i) other provisions and details it considers appropriate.
- (2) The commission may by resolution adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)
  - (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
  - (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
  - (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.

- (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.
- (4)
  - (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
  - (b) Bonds in changed denominations shall:
    - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
    - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.
- (5)
  - (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
  - (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
  - (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations are made, are private records as provided in Section 63G-2-302 or protected records as provided in Section 63G-2-305.
  - (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.
- (6) The commission may:
  - (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
  - (b) enter into agreements with financial and other institutions and attorneys to provide for:
    - (i) the calculation, holding, and payment of those amounts; and
    - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-6-406 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.
- (2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 391, 1997 General Session

**63B-6-407 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2) (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.  
(b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 391, 1997 General Session

**63B-6-408 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1997 General Obligation Project Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 391, 1997 General Session

**63B-6-409 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 391, 1997 General Session

**63B-6-410 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 391, 1997 General Session

**63B-6-411 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
  - (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-6-412 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 391, 1997 General Session

**63B-6-413 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all conditions precedent.

Enacted by Chapter 391, 1997 General Session

**63B-6-414 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 391, 1997 General Session

**63B-6-415 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 391, 1997 General Session

**63B-6-416 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may:
  - (a) publish any resolution it adopts under this chapter:
    - (i) once in a newspaper having general circulation in Utah; and
    - (ii) as required in Section 45-1-101; or
  - (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection 11-14-316(2).
- (2)
  - (a) Any interested person, for 30 days after the date of publication, may contest:
    - (i) the legality of the resolution;
    - (ii) any of the bonds authorized under it; or
    - (iii) any of the provisions made for the security and repayment of the bonds.
  - (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-6-417 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

**Part 5**  
**Revenue Bond and Other Capital Facilities Authorizations**

**63B-6-501 Revenue bond authorizations.**

- (1)
  - (a) It is the intent of the Legislature that:
    - (i) the State Board of Regents, on behalf of the University of Utah, issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit and income and revenues of the University of Utah, other than appropriations of the Legislature, to finance the cost of constructing, furnishing, and equipping a renovation and expansion of the Robert L. Rice Stadium; and
    - (ii) Olympic funds, University funds, and activity revenues be used as the primary revenue sources for repayment of any obligation created under the authority of this Subsection (1).
  - (b) The bonds or other evidences of indebtedness authorized may provide up to \$50,000,000 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
- (2)
  - (a) The State Building Ownership Authority, under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations or enter into or arrange for a lease purchase agreement in which participation interests may be created to provide up to \$350,000 for the remodeling and completion of the Wasatch Mountain State Park Clubhouse for the Division of State Parks, formerly known as the Division of Parks

and Recreation, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

- (b) The State Building Ownership Authority shall work cooperatively with the Division of State Parks, formerly known as the division of Parks and Recreation, to seek out the most cost effective and prudent lease purchase plan available.
- (c) It is the intent of the Legislature that park revenues be used as the primary revenue sources for repayment of any obligation created under authority of this Subsection (2).
- (3) It is the intent of the Legislature that:
  - (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$6,000,000 for the construction, or acquisition, or both, of liquor stores, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service requirements; and
  - (b) liquor control funds be used as the primary revenue source for the repayment of any obligation created under authority of this Subsection (3).

Amended by Chapter 280, 2021 General Session

**63B-6-502 Other capital facility authorizations and intent language.**

- (1) It is the intent of the Legislature that the University of Utah use institutional funds to plan, design, and construct:
  - (a) the Health Science Lab Building under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director; and
  - (b) the gymnastics facility under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.
- (2) It is the intent of the Legislature that Southern Utah University use institutional funds to plan, design, and construct a science center addition under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.
- (3) It is the intent of the Legislature that Utah Valley State College use institutional funds to plan, design, and construct a student center addition under the supervision of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated by the director.
- (4) (a) It is the intent of the Legislature that the Division of Facilities Construction and Management lease property at the Draper Prison to an entity for the purpose of constructing recycling and transfer facilities to employ inmates if the following conditions are satisfactorily met:
  - (i) the entity assures continuous employment of state inmates;
  - (ii) the lease with the entity provides an appropriate return to the state;
  - (iii) the lease has an initial term of not to exceed 20 years;
  - (iv) the lease protects the state from all liability;
  - (v) the entity guarantees that no adverse environmental impact will occur;
  - (vi) the state retains the right to:
    - (A) monitor the types of wastes that are processed; and
    - (B) prohibit the processing of types of wastes that are considered to be a risk to the state or surrounding property uses;

- (vii) the lease provides for adequate security arrangements;
- (viii) the entity assumes responsibility for any taxes or fees associated with the facility; and
- (ix) the entity assumes responsibility for bringing utilities to the site and any state expenditures for roads, etc. are considered in establishing the return to the state.

(b) Except as provided in Subsections (4)(c) and (d), the facility may be constructed without direct supervision by the Division of Facilities Construction and Management.

(c) Notwithstanding Subsection (4)(b), the Division of Facilities Construction and Management shall:

- (i) review the design, plans, and specifications of the project; and
- (ii) approve them if they are appropriate.

(d) Notwithstanding Subsection (4)(b), the Division of Facilities Construction and Management may:

- (i) require that the project be submitted to the local building official for plan review and inspection; and
- (ii) inspect the project.

(5) It is the intent of the Legislature that:

- (a) the \$221,497.86 authorized for the Capitol Hill Day Care Center in Subsection (4) of Laws of Utah 1992, Chapter 304, Section 56, be used for general capital improvements; and
- (b) the Division of Facilities Construction and Management should, in allocating the \$221,497.86, if appropriate under the Board's normal allocation and prioritization process, give preference to projects for the Division of State Parks, formerly known as the Division of Parks and Recreation.

Amended by Chapter 369, 2023 General Session

## **Chapter 7 1998 Bonding**

### **Part 1 Capital Facilities General Obligation Bonds**

#### **63B-7-101 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds to provide funds to the division.

Enacted by Chapter 67, 1998 General Session

#### **63B-7-102 Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$33,600,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and

all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.

(c) For the division, proceeds shall be provided for the following:

PROJECT DESCRIPTION	AMOUNT FUNDED	ESTIMATED OPERATIONS AND MAINTENANCE
Southern Utah University Land Purchase	\$4,600,000	\$0
Salt Lake Community College High Tech Center - Jordan Campus	\$3,980,700	\$507,900
Children's Special Health Care Needs Clinic	\$755,400	\$247,600
Youth Corrections - 2 @ 32 beds (Vernal / Logan)	\$419,500	\$276,000
Corrections - Gunnison 288 bed and Lagoon Expansion	\$8,425,600	\$0
University of Utah - Cowles Building	\$445,500	\$101,700
Utah Valley State College - Technical Building	\$1,166,300	\$391,000
Sevier Valley Applied Technology Center - Shop Expansion	\$3,014,300	\$443,300
Division of State Parks, formerly known as the Division of Parks and Recreation, Statewide Restrooms	\$1,000,000	\$22,700
Murray Highway Patrol Office	\$2,300,000	\$81,000
Department of Workforce Services - Davis County Employment Center	\$2,780,000	\$128,100
State Hospital - Rampton II	\$1,600,000	\$462,000
Courts - 4th District Land - Provo	\$1,368,000	\$0
Dixie College - Land	\$1,000,000	\$0
<b>TOTAL CAPITAL AND ECONOMIC DEVELOPMENT</b>	<b>\$32,855,300</b>	

(d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;
- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

(3)

(a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.

- (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
- (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.

(4)

- (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
- (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
- (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
- (d) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.

(5)

- (a) For those projects for which only partial funding is provided in Subsection (2), it is the intent of the Legislature that the balance necessary to complete the projects be addressed by future Legislatures, either through appropriations or through the issuance or sale of bonds.
- (b) For those phased projects, the division may enter into contracts for amounts not to exceed the anticipated full project funding but may not allow work to be performed on those contracts in excess of the funding already authorized by the Legislature.
- (c) Those contracts shall contain a provision for termination of the contract for the convenience of the state.
- (d) It is also the intent of the Legislature that this authorization to the division does not bind future Legislatures to fund projects initiated from this authorization.

Amended by Chapter 280, 2021 General Session

**63B-7-103 Use of bond proceeds for issuance and other costs.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-7-102 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Enacted by Chapter 67, 1998 General Session

**63B-7-104 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rate or rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 67, 1998 General Session

**63B-7-105 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;
  - (h) redemption terms; and
  - (i) other provisions and details it considers appropriate.
- (2) The commission may by resolution adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)
  - (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
  - (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
  - (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
  - (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.
- (4)
  - (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
  - (b) Bonds in changed denominations shall:
    - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
    - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.
- (5)
  - (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
  - (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
  - (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations are made, are private records as provided in Section 63G-2-302 or protected records as provided in Section 63G-2-305.
  - (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with

Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:
  - (i) the calculation, holding, and payment of those amounts; and
  - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-7-106 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.
- (2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 67, 1998 General Session

**63B-7-107 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2) (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.  
(b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 67, 1998 General Session

**63B-7-108 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1998 General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 67, 1998 General Session

**63B-7-109 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 67, 1998 General Session

**63B-7-110 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 67, 1998 General Session

**63B-7-111 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
  - (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-7-112 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 67, 1998 General Session

**63B-7-113 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all conditions precedent.

Enacted by Chapter 67, 1998 General Session

**63B-7-114 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 67, 1998 General Session

**63B-7-115 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 67, 1998 General Session

**63B-7-116 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may:
  - (a) publish any resolution it adopts under this chapter:
    - (i) once in a newspaper having general circulation in Utah; and
    - (ii) as required in Section 45-1-101; or
  - (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection 11-14-316(2).
- (2) (a) Any interested person, for 30 days after the date of publication, may contest:
  - (i) the legality of the resolution;
  - (ii) any of the bonds authorized under it; or
  - (iii) any of the provisions made for the security and repayment of the bonds.
- (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-7-117 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

## **Part 2**

### **1998 Highway General Obligation Bond Authorization**

#### **63B-7-201 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds, to provide funds to the Department of Transportation.

Enacted by Chapter 316, 1998 General Session

#### **63B-7-202 Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$240,000,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the Department of Transportation to provide funds to pay all or part of the costs of state highway construction or reconstruction projects.
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of Chapter 7, Part 3, 1998 Highway Bond Anticipation Note Authorization, and all related engineering, architectural, and legal fees.
- (3) If, after completion of the projects authorized under Subsection (2)(a) and payment of the costs of issuing and selling the bonds under Section 63B-7-203, any bond proceeds remain unexpended, the Department of Transportation may use those unexpended proceeds to pay all or part of the costs of construction projects approved and prioritized by the Transportation Commission.
- (4) The commission may, by resolution, make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (5) The Department of Transportation may enter into agreements related to that project before the receipt of proceeds of bonds issued under this chapter.

Amended by Chapter 331, 1999 General Session

#### **63B-7-203 Bond proceeds may be used to pay costs of issuance and sale.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-7-202 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discount.

Enacted by Chapter 316, 1998 General Session

#### **63B-7-204 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 15 years after the date of final passage of this chapter.

Enacted by Chapter 316, 1998 General Session

**63B-7-205 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;
  - (h) redemption terms; and
  - (i) other provisions and details it considers appropriate.
- (2) The commission may, by resolution, adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)
  - (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
  - (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
  - (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
  - (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.
- (4)
  - (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
  - (b) Bonds in changed denominations shall:
    - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
    - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.
- (5)

- (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
- (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302, or protected records as provided in Section 63G-2-305.
- (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:
  - (i) the calculation, holding, and payment of those amounts; and
  - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-7-206 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.
- (2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 316, 1998 General Session

**63B-7-207 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2)
  - (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.
  - (b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 316, 1998 General Session

**63B-7-208 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1998 Highway General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 316, 1998 General Session

**63B-7-209 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 316, 1998 General Session

**63B-7-210 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 316, 1998 General Session

**63B-7-211 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
  - (c) The commission, by resolution, may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission, by resolution, shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.

(3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-7-212 Refunding of bonds.**

(1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.

(2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 316, 1998 General Session

**63B-7-213 Certification of satisfaction of conditions precedent -- Conclusiveness.**

(1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.

(2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all such conditions.

Enacted by Chapter 316, 1998 General Session

**63B-7-214 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 316, 1998 General Session

**63B-7-215 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 316, 1998 General Session

**63B-7-216 Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter:

(i) once in a newspaper having general circulation in Utah; and

(ii) as required in Section 45-1-101; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection 11-14-316(2).

(2) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-7-217 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

**Part 3**  
**1998 Highway Bond Anticipation Note Authorization**

**63B-7-301 Definitions.**

As used in this part:

(1) "Bond anticipation note" means a note issued in anticipation of the receipt of the proceeds of the sale of the bonds authorized under Part 2, 1998 Highway General Obligation Bond Authorization.

(2) "Flexible note" means a bond anticipation note whose interest is payable at, and on one or more dates before, maturity.

(3)

(a) "Short-term series note" means a bond anticipation note that is one of a series of notes issued pursuant to a financing program under which it is expected that:

(i) each note will be paid from the proceeds of one or more renewal notes of that series; and

(ii) the final note or notes of the series will be paid from:

(A) the proceeds of bonds in anticipation of the receipt of which the note or notes were issued; or

(B) money of the state on hand and legally available for that purpose.

(b) "Short-term series note" includes any note issued pursuant to a revolving credit agreement or other similar liquidity facility for the purpose of renewing or paying outstanding short-term series notes on their stated maturity dates when those short-term series notes are not renewed or paid from the proceeds of one or more other renewal notes of the series.

Enacted by Chapter 316, 1998 General Session

**63B-7-302 Authorization, terms, and procedures.**

(1) The state treasurer may, by written order, issue bond anticipation notes and renewals of bond anticipation notes, including, but not limited to, flexible notes and short-term series notes, in the form and with the terms that the state treasurer determines.

(2) The state treasurer may:

(a) enter into whatever agreements with other persons that the state treasurer considers necessary or appropriate in connection with the issuance, sale, and resale of the notes; and

(b) resell or retire any notes purchased by the state before the stated maturity of those notes.

- (3)
  - (a) The notes and renewals of the notes shall:
    - (i) bear the interest rate or rates as determined by the state treasurer; and
    - (ii) mature within a period not to exceed three years.
  - (b) The notes and renewals of notes may:
    - (i) bear a variable interest rate; and
    - (ii) be redeemed prior to maturity by the state treasurer, but only in accordance with the provisions of the notes relating to redemption prior to maturity.
- (4) The proceeds from the sale of the notes may be used only for:
  - (a) the purposes established in Section 63B-7-202;
  - (b) the payment of principal of and, if not otherwise provided, interest on, bond anticipation notes;
  - (c) the payment of costs of issuance; or
  - (d) any combination of Subsections (4)(a), (b), and (c).
- (5)
  - (a) All of the notes and any renewals of the notes shall be payable from the proceeds of the sale of bonds.
  - (b) A renewal of any note may not be issued after the sale of bonds in anticipation of which the original note was issued.
- (6) If a sale of the bonds has not occurred before the maturity of the notes issued in anticipation of the sale, the state treasurer shall, in order to meet the notes then maturing:
  - (a) issue renewal notes for that purpose;
  - (b) pay the notes from state money legally available for paying those notes; or
  - (c) any combination of Subsections (6)(a) and (b).
- (7) Each note and any renewal of any note, with the interest on the note or renewal, constitute general obligations of the state.
- (8) Each note and any renewal of any note, with the interest on the note or renewal, shall be:
  - (a) secured by the full faith, credit, and resources of the state in the manner provided in Part 2, 1998 Highway General Obligation Bond Authorization;
  - (b) payable from:
    - (i) the proceeds of the sale of the bonds and not from any other borrowing; and
    - (ii) money of the state on hand and legally available for that purpose; or
    - (iii) any combination of Subsections (8)(b)(i) and (ii); and
  - (c) payable within five years from the date of original issue.
- (9)
  - (a) As used in this Subsection (9), "total amount of bonds authorized to be issued but not yet issued" includes bonds authorized to be issued only if one or more conditions are met.
  - (b) The total amount of notes or renewals of notes issued and outstanding at any one time may not exceed the total amount of bonds authorized to be issued but not yet issued.
- (10) The state treasurer shall, in the state treasurer's annual report to the governor, include a detailed statement of all notes and bonds issued during the year and of the state treasurer's actions in relation to them.

Amended by Chapter 302, 2025 General Session

**63B-7-303 Purchase and redemption requirements.**

- (1) The notes and renewals of notes may provide the holders of the notes or renewals of notes with the right to require the state or other persons to purchase or redeem the notes or renewal notes before the stated maturity of the notes or renewals.

(2) Notwithstanding Subsection (1), the holders of the notes and renewals of notes may not be provided with the right to require the state to repurchase or redeem the notes and renewals of the notes before their stated maturity unless the state has entered into one or more letter of credit agreements or other liquidity facility agreements:

- (a) for the express purpose of those sales;
- (b) that require a financially responsible party or parties to the agreement or agreements, other than the state, to purchase or redeem all or any portion of the notes and renewals of notes tendered by the holders of the notes or renewals of notes for repurchase or redemption before the stated maturity of the notes and renewals of notes; and
- (c) that continue until the right of the holders of the notes and renewals of notes to require repurchase or redemption of the notes and renewals of notes before the stated maturity has ceased.

Enacted by Chapter 316, 1998 General Session

**63B-7-304 General provisions -- Funds and accounts.**

- (1)
  - (a) Sections 63B-7-205, 63B-7-206, 63B-7-213, 63B-7-214, 63B-7-215, and 63B-7-216 apply to any notes or renewals of notes issued under this part.
  - (b)
    - (i) For purposes of this part, any action that those sections require or permit the commission to take shall be considered sufficient if taken by the state treasurer.
    - (ii) The treasurer may take action by issuing a written order, or in some other manner that he finds necessary or convenient, to accomplish the purposes of this part.
- (2) The treasurer may:
  - (a) in a written order, establish whatever funds and accounts are necessary or desirable to carry out the purposes of this part; and
  - (b) until the money is needed for the purpose for which the fund or account was created, invest the money held in those funds and accounts by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act.

Amended by Chapter 342, 2011 General Session

**Part 4**  
**Computer System General Obligation Bonds**

**63B-7-401 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds to provide funds to the State Tax Commission.

Enacted by Chapter 67, 1998 General Session

**63B-7-402 Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$16,500,000.
- (2)

- (a) Proceeds from the issuance of bonds shall be provided to the State Tax Commission to provide funds to pay all or part of the cost of the project described in this Subsection (2).
- (b) These costs may include:
  - (i) the cost of acquisition, development, and conversion of computer hardware and software for motor vehicle fee systems and tax collection and accounting systems of the state;
  - (ii) interest estimated to accrue on these bonds during the period to be covered by that development and conversion, plus a period of six months following the completion of the development and conversion; and
  - (iii) all related engineering, consulting, and legal fees.

(c) For the State Tax Commission, proceeds shall be provided for the following:

PROJECT DESCRIPTION	AMOUNT FUNDED
UTAX SYSTEMS ACQUISITION AND DEVELOPMENT	\$15,650,000

- (3) The commission, by resolution may decline to issue bonds if the project could be construed to violate state law or federal law or regulation.
- (4)
  - (a) For this project, for which only partial funding is provided in Subsection (2), it is the intent of the Legislature that the balance necessary to complete the project be addressed by future Legislatures, either through appropriations or through the issuance or sale of bonds.
  - (b) The State Tax Commission may enter into contracts for amounts not to exceed the anticipated full project funding but may not allow work to be performed on those contracts in excess of the funding already authorized by the Legislature.
  - (c) Those contracts shall contain a provision for termination of the contract for the convenience of the state.
  - (d) It is also the intent of the Legislature that this authorization to the State Tax Commission does not bind future Legislatures to fund projects initiated from this authorization.

Amended by Chapter 196, 2014 General Session

**63B-7-403 Use of bond proceeds for issuance and other costs.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-7-402 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Enacted by Chapter 67, 1998 General Session

**63B-7-404 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rate or rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 67, 1998 General Session

**63B-7-405 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;
  - (h) redemption terms; and
  - (i) other provisions and details it considers appropriate.
- (2) The commission may by resolution adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)
  - (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
  - (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
  - (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
  - (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.
- (4)
  - (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
  - (b) Bonds in changed denominations shall:
    - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
    - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.
- (5)
  - (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
  - (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.

- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations are made, are private records as provided in Section 63G-2-302 or protected records as provided in Section 63G-2-305.
- (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:
  - (i) the calculation, holding, and payment of those amounts; and
  - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-7-406 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.
- (2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 67, 1998 General Session

**63B-7-407 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2)
  - (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.
  - (b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 67, 1998 General Session

**63B-7-408 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1998 General Obligation Project Bonds Sinking Fund."

- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 67, 1998 General Session

**63B-7-409 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 67, 1998 General Session

**63B-7-410 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 67, 1998 General Session

**63B-7-411 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
  - (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-7-412 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 67, 1998 General Session

**63B-7-413 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all conditions precedent.

Enacted by Chapter 67, 1998 General Session

**63B-7-414 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 67, 1998 General Session

**63B-7-415 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 67, 1998 General Session

**63B-7-416 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may:
  - (a) publish any resolution it adopts under this chapter:
    - (i) once in a newspaper having general circulation in Utah; and
    - (ii) as required in Section 45-1-101; or
  - (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection 11-14-316(2).
- (2)
  - (a) Any interested person, for 30 days after the date of publication, may contest:
    - (i) the legality of the resolution;
    - (ii) any of the bonds authorized under it; or
    - (iii) any of the provisions made for the security and repayment of the bonds.
  - (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-7-417 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

## **Part 5** **Revenue Bond and Other Capital Facilities Authorizations**

### **63B-7-501 Revenue bond authorizations.**

- (1)
  - (a) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$1,568,600 for the construction of a Utah Correctional Industries Facility at the Central Utah Correctional Facility at Gunnison, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service requirements.
  - (b) The State Building Ownership Authority shall work cooperatively with the Department of Corrections to seek out the most cost effective and prudent lease purchase plan available.
  - (c) It is the intent of the Legislature that program revenues be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (1).
- (2) It is the intent of the Legislature that:
  - (a) the State Board of Regents, on behalf of the University of Utah, issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, income, and revenues of the University of Utah, other than appropriations of the Legislature, to finance the cost of constructing, furnishing, and equipping student housing;
  - (b) University funds and housing rental revenues be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (2); and
  - (c) the bonds or other evidences of indebtedness authorized by this Subsection (2) may provide up to \$86,000,000 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
- (3) It is the intent of the Legislature that:
  - (a) the State Board of Regents on behalf of the University of Utah issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, income, and revenues of the University of Utah, other than appropriations of the Legislature, to finance the cost of constructing, furnishing, and equipping a Health Sciences Parking Structure;
  - (b) University funds and parking revenues be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (3); and
  - (c) the bonds or other evidences of indebtedness authorized by this Subsection (3) may provide up to \$12,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
- (4) It is the intent of the Legislature that:
  - (a) the State Board of Regents, on behalf of the University of Utah, issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money

on the credit and income and revenues of the University of Utah, other than appropriations of the Legislature, to finance the cost of constructing, furnishing, and equipping a Southwest Campus Parking Structure;

(b) University funds and parking revenues be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (4); and

(c) the bonds or other evidences of indebtedness authorized by this Subsection (4) may provide up to \$7,200,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(5) It is the intent of the Legislature that:

(a) the State Board of Regents, on behalf of the University of Utah, issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit and income and revenues of the University of Utah, other than appropriations of the Legislature, to finance the cost of constructing, furnishing, and equipping an expansion of the Eccles Broadcast Center;

(b) University funds and service revenues be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (5); and

(c) the bonds or other evidences of indebtedness authorized by this Subsection (5) may provide up to \$5,100,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(6) It is the intent of the Legislature that:

(a) the State Board of Regents, on behalf of the University of Utah, issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit and income and revenues of the University of Utah, other than appropriations of the Legislature, to finance the cost of constructing, furnishing, equipping, and remodeling facilities for perinatal services, adult critical care services, clinical training and support, and upgrade of the University Hospital Rehabilitation Unit, and for purchase of the University Neuropsychiatric Institute and Summit Health Center in Park West;

(b) University Hospital revenues be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (6); and

(c) the bonds or other evidences of indebtedness authorized by this Subsection (6) may provide up to \$23,300,000 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(7) It is the intent of the Legislature that:

(a) the State Board of Regents, on behalf of Weber State University, issue, sell, and deliver revenue bonds or other evidences of indebtedness of Weber State University to borrow money on the credit and income and revenues of Weber State University, other than appropriations of the Legislature, to finance the cost of constructing, furnishing, and equipping student housing;

(b) University funds and housing rental revenues be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (7); and

(c) the bonds or other evidences of indebtedness authorized by this Subsection (7) may provide up to \$19,000,000 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(8)

(a) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$1,100,000 for the construction

of surplus property facilities for the Division of Fleet Operations, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

- (b) The State Building Ownership Authority shall work cooperatively with the Department of Government Operations to seek out the most cost effective and prudent lease purchase plan available.
- (c) It is the intent of the Legislature that Internal Service Fund revenues be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (8).

(9)

- (a) Contingent upon the state of Utah receiving a perfected security interest in accordance with Senate Joint Resolution 14, 1998 Annual General Session, the State Building Ownership Authority, under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$25,000,000 for the cost of constructing, furnishing, and equipping housing facilities at the University of Utah, together with additional amounts necessary to:
  - (i) pay costs of issuance;
  - (ii) pay capitalized interest; and
  - (iii) fund any debt service reserve requirements.
- (b) The State Building Ownership Authority and the University of Utah may enter into real estate arrangements and security arrangements that are:
  - (i) necessary to accomplish the purposes of this Subsection (9); and
  - (ii) not inconsistent with the requirements of Senate Joint Resolution 14, 1998 Annual General Session.

(10) In order to achieve a debt service savings, it is the intent of the Legislature that the State Building Ownership Authority, under authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide sufficient funding to exercise the state's option to purchase the Youth Corrections Facility in Salt Lake County currently financed by Salt Lake County.

Amended by Chapter 344, 2021 General Session

### **63B-7-502 Other capital facility authorizations and intent language.**

- (1) (a) It is the intent of the Legislature that if funding from General Obligation bonding is provided for construction of new facilities, the Division of Finance shall transfer any occupying agency funds that are currently being used for rent payments to the service fund for debt service on the bonds.
- (b) The Division of Finance may not transfer agency funds for operation and maintenance costs, which will continue to be incurred by the occupying agency.
- (2) It is the intent of the Legislature that Utah State University use institutional funds to plan, design, and construct the American West Heritage Center under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated.
- (3) It is the intent of the Legislature that:
  - (a) Utah State University allow the construction of the Poisonous Plant Laboratory on state-owned property under the direction of the Federal Government with oversight by the director

of the Division of Facilities Construction and Management and Utah State University as may be required; and

(b) no state funds be used for any portion of this project.

(4) It is the intent of the Legislature that:

(a) Weber State University use institutional funds to plan, design, and construct the Weight Training room addition under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated; and

(b) no state funds be used for any portion of this project.

(5) It is the intent of the Legislature that:

(a) Utah State University Eastern, San Juan campus, use institutional and other funds to plan, design, and construct the Arts and Conference Center under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated; and

(b) no state funds be used for any portion of this project.

(6) It is the intent of the Legislature that:

(a) the University of Utah allow the construction of a privately owned West Health Science Mixed Use Facility on state-owned land located at the main campus of the University, under the oversight of the director of the Division of Facilities Construction and Management; and

(b) no state funds be used for any portion of this project.

(7) It is the intent of the Legislature that the Division of Facilities Construction and Management use up to \$1,225,000 of the funds authorized for the Dead Horse Point Visitors Center project in Section 63B-6-102 for additional code upgrades and other critical repairs to the Dead Horse Point Visitors Center in addition to the modifications needed to meet the Americans with Disabilities Act requirements.

(8) It is the intent of the Legislature that:

(a) the Division of Facilities Construction and Management proceed with the design of the Physical Education Building at Southern Utah University;

(b) the design include the full project scope, excluding funds for the purchase of the middle school;

(c) the 1999 Legislature rank the Physical Education Building at Southern Utah University as the top-ranked capital facility project for full funding in the 1999 annual general session of the Legislature; and

(d) the Division of Facilities Construction and Management proceed with the bidding process for construction of this project.

Amended by Chapter 465, 2013 General Session

### **63B-7-503 Highway revenue bond authorization.**

It is the intent of the Legislature that:

(1) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations to provide up to \$10,000,000 for the acquisition of real property or any interests in real property for state, county, or municipal transportation corridors as provided in Section 72-2-117; and

(2) revenues of the Marda Dillree Corridor Preservation Fund be used as the primary revenue source for the repayment of any obligation created under authority of this section.

Amended by Chapter 121, 2012 General Session

## Chapter 8 1999 Bonding

### Part 1 Capital Facilities General Obligation Bonds

#### **63B-8-101 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds to provide funds to the division.

Enacted by Chapter 309, 1999 General Session

#### **63B-8-102 Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$48,500,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.
  - (c) For the division, proceeds shall be provided for the following:

PROJECT DESCRIPTION	AMOUNT FUNDED	ESTIMATED OPERATIONS AND MAINTENANCE
Southern Utah University - Physical Education Building	\$2,493,200	\$447,744
Utah Valley State College - Information Sciences Building	\$29,000,000	\$721,875
University of Utah - Cowles Building Renovation	\$7,268,500	\$140,217
Vernal District Court	\$4,539,500	\$149,989
Salt Lake Community College - Applied Education Center	\$4,200,000	\$281,784
<b>TOTAL CAPITAL AND ECONOMIC DEVELOPMENT</b>	<b>\$47,501,200</b>	

- (d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;

- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

(3)

- (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
- (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
- (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.

(4)

- (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
- (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
- (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
- (d) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.

(5)

- (a) For those projects for which only partial funding is provided in Subsection (2), it is the intent of the Legislature that the balance necessary to complete the projects be addressed by future Legislatures, either through appropriations or through the issuance or sale of bonds.
- (b) For those phased projects, the division may enter into contracts for amounts not to exceed the anticipated full project funding but may not allow work to be performed on those contracts in excess of the funding already authorized by the Legislature.
- (c) Those contracts shall contain a provision for termination of the contract for the convenience of the state.
- (d) It is also the intent of the Legislature that this authorization to the division does not bind future Legislatures to fund projects initiated from this authorization.

Amended by Chapter 196, 2014 General Session

**63B-8-103 Use of bond proceeds for issuance and other costs.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-8-102 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Enacted by Chapter 309, 1999 General Session

**63B-8-104 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rate or rates, including a variable rate, and maturity dates as the commission determines by resolution.

(3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 309, 1999 General Session

**63B-8-105 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

(1) In the issuance of bonds, the commission may determine by resolution:

- (a) the manner of sale, including public or private sale;
- (b) the terms and conditions of sale, including price, whether at, below, or above face value;
- (c) denominations;
- (d) form;
- (e) manner of execution;
- (f) manner of authentication;
- (g) place and medium of purchase;
- (h) redemption terms; and
- (i) other provisions and details it considers appropriate.

(2) The commission may by resolution adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.

(3)

- (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
- (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
- (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
- (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.

(4)

- (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
- (b) Bonds in changed denominations shall:
  - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
  - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.

(5)

- (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
- (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state,

for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.

- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations are made, are private records as provided in Section 63G-2-302 or protected records as provided in Section 63G-2-305.
- (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:
  - (i) the calculation, holding, and payment of those amounts; and
  - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-8-106 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.
- (2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 309, 1999 General Session

**63B-8-107 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2) (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.  
(b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 309, 1999 General Session

**63B-8-108 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1999 General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 309, 1999 General Session

**63B-8-109 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 309, 1999 General Session

**63B-8-110 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 309, 1999 General Session

**63B-8-111 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
  - (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-8-112 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state is considered the public body and the commission its governing body.

Enacted by Chapter 309, 1999 General Session

**63B-8-113 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all conditions precedent.

Enacted by Chapter 309, 1999 General Session

**63B-8-114 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 309, 1999 General Session

**63B-8-115 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 309, 1999 General Session

**63B-8-116 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may:
  - (a) publish any resolution it adopts under this chapter:
    - (i) once in a newspaper having general circulation in Utah; and
    - (ii) as required in Section 45-1-101; or
  - (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection 11-14-316(2).
- (2)
  - (a) Any interested person, for 30 days after the date of publication, may contest:
    - (i) the legality of the resolution;
    - (ii) any of the bonds authorized under it; or
    - (iii) any of the provisions made for the security and repayment of the bonds.
  - (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-8-117 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

**Part 2**  
**1999 Highway General Obligation Bond Authorization**

**63B-8-201 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds, to provide funds to the Department of Transportation.

Enacted by Chapter 331, 1999 General Session

**63B-8-202 Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$68,000,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the Department of Transportation to provide funds to pay all or part of the costs of state highway construction or reconstruction projects.
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of Chapter 8, Part 3, 1999 Highway Bond Anticipation Note Authorization, and all related engineering, architectural, and legal fees.
- (3) If, after completion of the projects authorized under Subsection (2)(a) and payment of the costs of issuing and selling the bonds under Section 63B-8-203, any bond proceeds remain unexpended, the Department of Transportation may use those unexpended proceeds to pay all or part of the costs of construction projects approved and prioritized by the Transportation Commission.
- (4) The commission may, by resolution, make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (5) The Department of Transportation may enter into agreements related to that project before the receipt of proceeds of bonds issued under this chapter.

Enacted by Chapter 331, 1999 General Session

**63B-8-203 Bond proceeds may be used to pay costs of issuance and sale.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-8-202 and to pay all or part of any cost incident to the issuance and sale of the

bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, liquidity providers' fees, credit enhancement providers' fees, and underwriters' discount.

Enacted by Chapter 331, 1999 General Session

**63B-8-204 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 15 years after the dated date of the bonds.

Enacted by Chapter 331, 1999 General Session

**63B-8-205 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;
  - (h) redemption terms; and
  - (i) other provisions and details it considers appropriate.
- (2) The commission may, by resolution, adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)
  - (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
  - (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
  - (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
  - (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.
- (4)
  - (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.

(b) Bonds in changed denominations shall:

- (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
- (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.

(5)

- (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
- (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302, or protected records as provided in Section 63G-2-305.
- (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:
  - (i) the calculation, holding, and payment of those amounts; and
  - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-8-206 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.
- (2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 331, 1999 General Session

**63B-8-207 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.

- (2)
  - (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.
  - (b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 331, 1999 General Session

**63B-8-208 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1999 Highway General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 331, 1999 General Session

**63B-8-209 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 331, 1999 General Session

**63B-8-210 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 331, 1999 General Session

**63B-8-211 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.

- (c) The commission, by resolution, may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission, by resolution, shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-8-212 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state is considered the public body and the commission its governing body.

Enacted by Chapter 331, 1999 General Session

**63B-8-213 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all such conditions.

Enacted by Chapter 331, 1999 General Session

**63B-8-214 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 331, 1999 General Session

**63B-8-215 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 331, 1999 General Session

**63B-8-216 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may:
  - (a) publish any resolution it adopts under this chapter:
    - (i) once in a newspaper having general circulation in Utah; and
    - (ii) as required in Section 45-1-101; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection 11-14-316(2).

(2)

(a) Any interested person, for 30 days after the date of publication, may contest:

- (i) the legality of the resolution;
- (ii) any of the bonds authorized under it; or
- (iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-8-217 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

**Part 3**  
**1999 Highway Bond Anticipation Note Authorization**

**63B-8-301 Definitions.**

As used in this part:

(1) "Bond anticipation note" means a note issued in anticipation of the receipt of the proceeds of the sale of the bonds authorized under Part 2, 1999 Highway General Obligation Bond Authorization.

(2) "Flexible note" means a bond anticipation note whose interest is payable at maturity, and may be payable on one or more dates before maturity.

(3)

(a) "Short-term series note" means a bond anticipation note that is one of a series of notes issued pursuant to a financing program under which it is expected that:

- (i) each note will be paid from the proceeds of one or more renewal notes of that series; and
- (ii) the final note or notes of the series will be paid from:
  - (A) the proceeds of bonds in anticipation of the receipt of which the note or notes were issued; or
  - (B) money of the state on hand and legally available for that purpose.

(b) "Short-term series note" includes any note issued pursuant to a revolving credit agreement or other similar liquidity facility for the purpose of renewing or paying outstanding short-term series notes on their stated maturity dates when those short-term series notes are not renewed or paid from the proceeds of one or more other renewal notes of the series.

Enacted by Chapter 331, 1999 General Session

**63B-8-302 Authorization, terms, and procedures.**

- (1) The state treasurer may, by written order, issue bond anticipation notes and renewals of bond anticipation notes, including flexible notes and short-term series notes, in the form and with the terms that the state treasurer determines.
- (2) The state treasurer may:
  - (a) enter into whatever agreements with other persons that the state treasurer considers necessary or appropriate in connection with the issuance, sale, and resale of the notes; and
  - (b) resell or retire any notes purchased by the state before the stated maturity of those notes.
- (3)
  - (a) The notes and renewals of the notes shall:
    - (i) bear the interest rate or rates as determined by the state treasurer; and
    - (ii) mature within a period not to exceed three years.
  - (b) The notes and renewals of notes may:
    - (i) bear a variable interest rate; and
    - (ii) be redeemed prior to maturity by the state treasurer, but only in accordance with the provisions of the notes relating to redemption prior to maturity.
- (4) The proceeds from the sale of the notes may be used only for:
  - (a) the purposes established in Section 63B-8-202;
  - (b) the payment of principal of and, if not otherwise provided, interest on, bond anticipation notes;
  - (c) the payment of costs of issuance, credit enhancement, and liquidity support; or
  - (d) any combination of Subsections (4)(a), (b), and (c).
- (5)
  - (a) All of the notes and any renewals of the notes shall be payable from the proceeds of the sale of bonds.
  - (b) A renewal of any note may not be issued after the sale of bonds in anticipation of which the original note was issued.
- (6) If a sale of the bonds has not occurred before the maturity of the notes issued in anticipation of the sale, the state treasurer shall, in order to meet the notes then maturing:
  - (a) issue renewal notes for that purpose;
  - (b) pay the notes from state money legally available for paying those notes; or
  - (c) any combination of Subsections (6)(a) and (b).
- (7) Each note and any renewal of any note, with the interest on the note or renewal, constitute general obligations of the state.
- (8) Each note and any renewal of any note, with the interest on the note or renewal, shall be:
  - (a) secured by the full faith, credit, and resources of the state in the manner provided in Part 2, 1999 Highway General Obligation Bond Authorization;
  - (b) payable from:
    - (i) the proceeds of the sale of the bonds and not from any other borrowing; and
    - (ii) money of the state on hand and legally available for that purpose; or
    - (iii) any combination of Subsections (8)(b)(i) and (ii); and
  - (c) payable within five years from the date of original issue.
- (9) The total amount of notes or renewals of notes issued and outstanding at any one time may not exceed the total amount of bonds authorized to be issued but not yet issued.
- (10) The state treasurer shall, in the state treasurer's annual report to the governor, include a detailed statement of all notes and bonds issued during the year and of the state treasurer's actions in relation to them.

Amended by Chapter 302, 2025 General Session

**63B-8-303 Purchase and redemption requirements.**

- (1) The notes and renewals of notes may provide the holders of the notes or renewals of notes with the right to require the state or other persons to purchase or redeem the notes or renewal notes before the stated maturity of the notes or renewals.
- (2) Notwithstanding Subsection (1), the holders of the notes and renewals of notes may not be provided with the right to require the state to repurchase or redeem the notes and renewals of the notes before their stated maturity unless the state has entered into one or more letter of credit agreements or other liquidity facility agreements:
  - (a) for the express purpose of those repurchases or redemptions;
  - (b) that require a financially responsible party or parties to the agreement or agreements, other than the state, to purchase or redeem all or any portion of the notes and renewals of notes tendered by the holders of the notes or renewals of notes for repurchase or redemption before the stated maturity of the notes and renewals of notes; and
  - (c) that continue until the right of the holders of the notes and renewals of notes to require repurchase or redemption of the notes and renewals of notes before the stated maturity has ceased.

Enacted by Chapter 331, 1999 General Session

**63B-8-304 General provisions -- Funds and accounts.**

- (1)
  - (a) Sections 63B-8-205, 63B-8-206, 63B-8-213, 63B-8-214, 63B-8-215, and 63B-8-216 apply to any notes or renewals of notes issued under this part.
  - (b)
    - (i) For purposes of this part, any action that those sections require or permit the commission to take shall be considered sufficient if taken by the state treasurer.
    - (ii) The treasurer may take action by issuing a written order, or in some other manner that he finds necessary or convenient, to accomplish the purposes of this part.
- (2) The treasurer may:
  - (a) in a written order, establish whatever funds and accounts are necessary or desirable to carry out the purposes of this part; and
  - (b) until the money is needed for the purpose for which the fund or account was created, invest the money held in those funds and accounts by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act.

Amended by Chapter 342, 2011 General Session

**Part 4**  
**Additional Capital Facilities General Obligation Bond**

**63B-8-401 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds to provide funds to the State Tax Commission.

Enacted by Chapter 309, 1999 General Session

**63B-8-402 Maximum amount -- Projects authorized.**

(1) The total amount of bonds issued under this part may not exceed \$7,400,000.

(2)

- (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the project listed in this Subsection (2).
- (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.
- (c) For the division, proceeds shall be provided for the following:

PROJECT DESCRIPTION	AMOUNT FUNDED	ESTIMATED OPERATIONS AND MAINTENANCE
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State Hospital - Rampton II	\$7,000,000	\$462,000
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(d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;
- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

(3)

- (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
- (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
- (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.

(4)

- (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
- (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
- (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
- (d) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.

(5)

- (a) For those projects for which only partial funding is provided in Subsection (2), it is the intent of the Legislature that the balance necessary to complete the projects be addressed by future Legislatures, either through appropriations or through the issuance or sale of bonds.
- (b) For those phased projects, the division may enter into contracts for amounts not to exceed the anticipated full project funding but may not allow work to be performed on those contracts in excess of the funding already authorized by the Legislature.

- (c) Those contracts shall contain a provision for termination of the contract for the convenience of the state.
- (d) It is also the intent of the Legislature that this authorization to the division does not bind future Legislatures to fund projects initiated from this authorization.

Amended by Chapter 196, 2014 General Session

**63B-8-403 Use of bond proceeds for issuance and other costs.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-8-402 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Enacted by Chapter 309, 1999 General Session

**63B-8-404 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rate or rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 20 years after the date of final passage of this chapter.

Enacted by Chapter 309, 1999 General Session

**63B-8-405 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;
  - (h) redemption terms; and
  - (i) other provisions and details it considers appropriate.
- (2) The commission may by resolution adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)
  - (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.

- (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
- (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
- (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.

(4)

- (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
- (b) Bonds in changed denominations shall:
  - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
  - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.

(5)

- (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
- (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations are made, are private records as provided in Section 63G-2-302 or protected records as provided in Section 63G-2-305.
- (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:
  - (i) the calculation, holding, and payment of those amounts; and
  - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-8-406 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.
- (2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value

of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 309, 1999 General Session

**63B-8-407 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2) (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.  
(b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 309, 1999 General Session

**63B-8-408 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "1999 General Obligation Capital Project Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Amended by Chapter 327, 2000 General Session

**63B-8-409 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 309, 1999 General Session

**63B-8-410 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any

money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 309, 1999 General Session

**63B-8-411 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
  - (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-8-412 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state is considered the public body and the commission its governing body.

Enacted by Chapter 309, 1999 General Session

**63B-8-413 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all conditions precedent.

Enacted by Chapter 309, 1999 General Session

**63B-8-414 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 309, 1999 General Session

**63B-8-415 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 309, 1999 General Session

**63B-8-416 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may:
  - (a) publish any resolution it adopts under this chapter:
    - (i) once in a newspaper having general circulation in Utah; and
    - (ii) as required in Section 45-1-101; or
  - (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection 11-14-316(2).
- (2)
  - (a) Any interested person, for 30 days after the date of publication, may contest:
    - (i) the legality of the resolution;
    - (ii) any of the bonds authorized under it; or
    - (iii) any of the provisions made for the security and repayment of the bonds.
  - (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-8-417 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in the governor's budget for as long as bonds issued under this chapter remain outstanding.

Amended by Chapter 302, 2025 General Session

**Part 5**  
**Revenue Bond and Other Capital Facility Authorizations**

**63B-8-501 Revenue bond authorizations.**

It is the intent of the Legislature that:

- (1) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$6,518,000 for the construction of an office building to house the Department of Corrections and the Board of Pardons and Parole Administration, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements; and
- (2) amounts representing existing budgets for rent for the Department of Corrections and the Board of Pardons and Parole Administration be used as the primary revenue source for the

Department of Corrections and the Board of Pardons and Parole Administration to pay the state for repayment of any obligation created under authority of this section.

Amended by Chapter 409, 2011 General Session

**63B-8-502 Other capital facility authorizations and intent language.**

(1) It is the intent of the Legislature that:

- (a) Salt Lake Community College use institutional funds to plan, design, and construct an addition to the Student Activity Center at the Redwood Campus under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated; and
- (b) no state funds be used for any portion of this project.

(2) It is the intent of the Legislature that:

- (a) Salt Lake Community College use institutional funds to plan, design, and construct the Student Activity Center at the Jordan Campus under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated; and

- (b) no state funds be used for any portion of this project.

(3) It is the intent of the Legislature that:

- (a) Southern Utah University use institutional funds to plan, design, and construct the Shakespearean Festival Scene Shop under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated; and

- (b) no state funds be used for any portion of this project.

(4) It is the intent of the Legislature that:

- (a) the University of Utah plan, design, and construct a new East Campus Central Plant under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) the project may be financed through a third party to the extent that energy savings resulting from the project are used to pay the annual debt service; and
- (c) the University of Utah obtains the approval of the Board of Regents before entering into a financing arrangement.

(5) It is the intent of the Legislature that:

- (a) the University of Utah use institutional funds to plan, design, and construct a pedestrian bridge over Wasatch Drive under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated; and
- (b) no state funds be used for any portion of this project.

(6) It is the intent of the Legislature that:

- (a) Utah State University use institutional funds to plan, design, and construct an addition to the Nora Eccles Harrison Museum of Art under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for the design and construction of this project; and
- (c) the university may request state funds for operations and maintenance to the extent it is able to demonstrate to the Board of Regents that the project meets approved academic and training purposes under Board of Regents policy R710.

(7) It is the intent of the Legislature that:

- (a) Utah State University use institutional funds to plan, design, and construct a renovation and expansion of the Lyric Theater under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operations and maintenance to the extent it is able to demonstrate to the Board of Regents that the project meets approved academic and training purposes under Board of Regents policy R710.

(8) It is the intent of the Legislature that:

- (a) the University of Utah use institutional funds to plan, design, and construct an expansion of the Pioneer Memorial Theater under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operations and maintenance to the extent it is able to demonstrate to the Board of Regents that the project meets approved academic and training purposes under Board of Regents policy R710.

(9) It is the intent of the Legislature that:

- (a) the University of Utah use institutional funds to plan, design, and construct a new building with associated parking for the College of Pharmacy under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the project meets approved academic and training purposes under Board of Regents policy R710.

(10) It is the intent of the Legislature that:

- (a) Weber State University use institutional funds to plan, design, and construct a Visual Arts Building under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for the construction of this project; and
- (c) consideration be given to appropriating state funds for the increased operation and maintenance costs associated with academic programs and associated support.

(11) It is the intent of the Legislature that the Department of Corrections use federal funds to plan, design, and construct a 300 bed minimum security facility in Draper under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated.

(12) It is the intent of the Legislature that:

- (a) the Department of Transportation pursue the sale of property located adjacent to the Region One Headquarters in Ogden; and
- (b) the Department of Transportation only expend those funds, up to the amount collected, to expand the current Region One Headquarters Building.

(13) It is the intent of the Legislature that the State Hospital be allowed to use available funding, up to \$100,000, to purchase the property adjacent to the Provo campus.

(14) It is the intent of the Legislature that:

- (a) Dixie College use institutional funds to plan, design, and construct a satellite campus building under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for the construction of this project; and

- (c) consideration be given to appropriating state funds for the increased operation and maintenance costs associated with academic programs and associated support.

Amended by Chapter 169, 2006 General Session

## **Chapter 9 2000 Bonding and Financing Authorizations**

### **Part 1 Revenue Bond and Other Capital Facility Authorizations**

#### **63B-9-101 Higher education revenue bond authorizations.**

It is the intent of the Legislature that:

- (1) the Board of Regents issue, sell, and deliver revenue bonds or other evidences of indebtedness of the Board of Regents to borrow money on the credit, revenues, and reserves of the Higher Education Student Loan Program to finance the cost of acquiring, constructing, furnishing, and equipping office space;
- (2) funds within the Board of Regents budget that would otherwise be expended for rent be used as the primary revenue source for repayment of any obligation created under authority of this section;
- (3) the Board of Regents may not request an increase in state appropriations for rent to be used for repayment of any obligation created under authority of this section;
- (4) the Board of Regents may not request an increase, beyond that resulting from inflation, in state appropriations for operations and maintenance of the facility acquired or constructed under this section; and
- (5) the bonds or other evidences of indebtedness authorized by this section may provide up to \$8,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

Enacted by Chapter 327, 2000 General Session

#### **63B-9-103 Other capital facility authorizations and intent language.**

- (1) It is the intent of the Legislature that:
  - (a) Utah State University use institutional funds to plan, design, and construct a renovation and expansion of the Edith Bowen School under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.
- (2) It is the intent of the Legislature that:
  - (a) the University of Utah use institutional funds to plan, design, and construct a College of Science Math Center under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and

- (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.
- (3) It is the intent of the Legislature that:
  - (a) the University of Utah use institutional funds to plan, design, and construct a Burbidge Athletics and Academics Building under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may not request state funds for operations and maintenance.
- (4) It is the intent of the Legislature that:
  - (a) the University of Utah use institutional funds to plan, design, and construct an expansion to the bookstore under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may not request state funds for operations and maintenance.
- (5) It is the intent of the Legislature that:
  - (a) the University of Utah use institutional funds to plan, design, and construct a Health Sciences/Basic Sciences Building under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.
- (6) It is the intent of the Legislature that:
  - (a) Weber State University use institutional funds to plan, design, and construct an expansion to the stadium under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may not request state funds for operations and maintenance.
- (7) It is the intent of the Legislature that:
  - (a) Utah Valley State College use institutional funds to plan, design, and construct a baseball stadium under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the college may not request state funds for operations and maintenance.
- (8) It is the intent of the Legislature that:
  - (a) Southern Utah University use institutional funds to plan, design, and construct a weight training room under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may not request state funds for operations and maintenance.
- (9) It is the intent of the Legislature that:
  - (a) Snow College may lease land at the Snow College Richfield campus to a private developer for the construction and operation of student housing;
  - (b) the oversight and inspection of the construction comply with Section 63A-5b-604;
  - (c) no state funds be used for any portion of this project; and
  - (d) the college may not request state funds for operations and maintenance.
- (10) It is the intent of the Legislature that:

- (a) Salt Lake Community College may lease land at the Jordan campus to Jordan School District for the construction and operation of an Applied Technology Education Center;
- (b) the oversight and inspection of the construction comply with Section 63A-5b-604;
- (c) no state funds be used for any portion of this project; and
- (d) the college may not request state funds for operations and maintenance.

(11) It is the intent of the Legislature that:

- (a) the Department of Transportation exchange its maintenance station at Kimball Junction for property located near Highway 40 in Summit County; and
- (b) the Department of Transportation use federal funds, rent paid by the Salt Lake Organizing Committee for the use of the maintenance station, and any net proceeds resulting from the exchange of property to construct a replacement facility under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated.

(12) It is the intent of the Legislature that:

- (a) the Department of Transportation sell surplus property in Utah County;
- (b) the Department of Transportation use funds from that sale to remodel existing space and add an addition to the Region 3 Complex; and
- (c) the project cost not exceed the funds received through sale of property.

(13) It is the intent of the Legislature that the Department of Workforce Services use proceeds from property sales to purchase additional property adjacent to its state-owned facility in Logan.

(14)

- (a) It is the intent of the Legislature that, because only partial funding is provided for the Heat Plant/Infrastructure Project at Utah State University, the balance necessary to complete this project be addressed by future Legislatures, either through appropriations or through the issuance of bonds.
- (b)
  - (i) In compliance with Section 63A-5b-608, the division may enter into contracts for amounts not to exceed the anticipated full project funding but may not allow work to be performed on those contracts in excess of the funding already authorized by the Legislature.
  - (ii) Those contracts shall contain a provision for termination of the contract for the convenience of the state.
- (c) It is also the intent of the Legislature that this authorization to the division does not bind future Legislatures to fund the Heat Plant/Infrastructure Project at Utah State University.

Amended by Chapter 152, 2020 General Session

## **Chapter 10 2001 Bonding**

### **Part 1 2001 Highway General Obligation Bonds**

**63B-10-101 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds, to provide funds to the Department of Transportation.

Enacted by Chapter 321, 2001 General Session

**63B-10-102 Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$126,250,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the Department of Transportation to provide funds to pay all or part of the costs of state highway construction or reconstruction projects.
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of Chapter 10, Part 2, 2001 Highway General Obligation Bond Anticipation Notes Authorization, and all related engineering, architectural, and legal fees.
- (3) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (4) The Department of Transportation may enter into agreements related to that project before the receipt of proceeds of bonds issued under this chapter.

Enacted by Chapter 321, 2001 General Session

**63B-10-103 Bond proceeds may be used to pay costs of issuance and sale.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-10-102 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discount.

Enacted by Chapter 321, 2001 General Session

**63B-10-104 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 15 years after the date of final passage of this chapter.

Enacted by Chapter 321, 2001 General Session

**63B-10-105 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;

- (b) the terms and conditions of sale, including price, whether at, below, or above face value;
- (c) denominations;
- (d) form;
- (e) manner of execution;
- (f) manner of authentication;
- (g) place and medium of purchase;
- (h) redemption terms; and
- (i) other provisions and details it considers appropriate.

(2) The commission may, by resolution, adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.

(3)

- (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
- (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
- (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
- (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.

(4)

- (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
- (b) Bonds in changed denominations shall:
  - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
  - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.

(5)

- (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
- (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302, or protected records as provided in Section 63G-2-305.
- (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149

of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148(f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:
  - (i) the calculation, holding, and payment of those amounts; and
  - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-10-106 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.
- (2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, including fee-in-lieu property, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 321, 2001 General Session

**63B-10-107 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2)
  - (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.
  - (b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 321, 2001 General Session

**63B-10-108 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "2001 Highway General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 321, 2001 General Session

**63B-10-109 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 321, 2001 General Session

**63B-10-110 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 321, 2001 General Session

**63B-10-111 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
  - (c) The commission, by resolution, may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission, by resolution, shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-10-112 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 321, 2001 General Session

**63B-10-113 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all these conditions.

Enacted by Chapter 321, 2001 General Session

**63B-10-114 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 321, 2001 General Session

**63B-10-115 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 321, 2001 General Session

**63B-10-116 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may:
  - (a) publish any resolution it adopts under this chapter:
    - (i) once in a newspaper having general circulation in Utah; and
    - (ii) as required in Section 45-1-101; or
  - (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection 11-14-316(2).
- (2)
  - (a) Any interested person, for 30 days after the date of publication, may contest:
    - (i) the legality of the resolution;
    - (ii) any of the bonds authorized under it; or
    - (iii) any of the provisions made for the security and repayment of the bonds.
  - (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-10-117 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in his budget for as long as bonds issued under this chapter remain outstanding.

Enacted by Chapter 321, 2001 General Session

**Part 2**  
**2001 Highway General Obligation Bond Anticipation Notes Authorization**

**63B-10-201 Definitions.**

As used in this part:

- (1) "Bond anticipation note" means a note issued in anticipation of the receipt of the proceeds of the sale of the bonds authorized under Part 1, 2001 Highway General Obligation Bonds.
- (2) "Flexible note" means a bond anticipation note whose interest is payable at, and on one or more dates before, maturity.
- (3)
  - (a) "Short-term series note" means a bond anticipation note that is one of a series of notes issued pursuant to a financing program under which it is expected that:
    - (i) each note will be paid from the proceeds of one or more renewal notes of that series; and
    - (ii) the final note or notes of the series will be paid from:
      - (A) the proceeds of bonds in anticipation of the receipt of which the note or notes were issued; or
      - (B) money of the state on hand and legally available for that purpose.
  - (b) "Short-term series note" includes any note issued pursuant to a revolving credit agreement or other similar liquidity facility for the purpose of renewing or paying outstanding short-term series notes on their stated maturity dates when those short-term series notes are not renewed or paid from the proceeds of one or more other renewal notes of the series.

Enacted by Chapter 321, 2001 General Session

**63B-10-202 Authorization, terms, and procedures.**

- (1) The state treasurer may, by written order, issue bond anticipation notes and renewals of bond anticipation notes, including, but not limited to, flexible notes and short-term series notes, in the form and with the terms that he determines.
- (2) The state treasurer may:
  - (a) enter into whatever agreements with other persons that he considers necessary or appropriate in connection with the issuance, sale, and resale of the notes; and
  - (b) resell or retire any notes purchased by the state before the stated maturity of those notes.
- (3)
  - (a) The notes and renewals of the notes shall:
    - (i) bear the interest rate or rates as determined by the state treasurer; and
    - (ii) mature within a period not to exceed five years from the date of original issuance.
  - (b) The notes and renewals of notes may:
    - (i) bear a variable interest rate; and
    - (ii) be redeemed prior to maturity by the state treasurer, but only in accordance with the provisions of the notes relating to redemption prior to maturity.
- (4) The proceeds from the sale of the notes may be used only for:
  - (a) the purposes established in Section 63B-10-102;
  - (b) the payment of principal of and, if not otherwise provided, interest on, bond anticipation notes;
  - (c) the payment of costs of issuance; or
  - (d) any combination of Subsections (4)(a), (b), and (c).
- (5)

- (a) All of the notes and any renewals of the notes shall be payable from the proceeds of the sale of bonds.
- (b) A renewal of any note may not be issued after the sale of bonds in anticipation of which the original note was issued.
- (6) If a sale of the bonds has not occurred before the maturity of the notes issued in anticipation of the sale, the state treasurer shall, in order to meet the notes then maturing:
  - (a) issue renewal notes for that purpose;
  - (b) pay the notes from state money legally available for paying those notes; or
  - (c) any combination of Subsections (6)(a) and (b).
- (7) Each note and any renewal of any note, with the interest on the note or renewal, constitute general obligations of the state.
- (8) Each note and any renewal of any note, with the interest on the note or renewal, shall be:
  - (a) secured by the full faith, credit, and resources of the state in the manner provided in Part 1, 2001 Highway General Obligation Bonds;
  - (b) payable from:
    - (i) the proceeds of the sale of the bonds and not from any other borrowing; and
    - (ii) money of the state on hand and legally available for that purpose; or
    - (iii) any combination of Subsections (8)(b)(i) and (ii); and
  - (c) payable within five years from the date of original issue.
- (9)
  - (a) As used in this Subsection (9), "total amount of bonds authorized to be issued but not yet issued" includes bonds authorized to be issued only if one or more conditions are met.
  - (b) The total amount of notes or renewals of notes issued and outstanding at any one time may not exceed the total amount of bonds authorized to be issued but not yet issued.
- (10) The state treasurer shall, in his annual report to the governor, include a detailed statement of all notes and bonds issued during the year and of his actions in relation to them.

Enacted by Chapter 321, 2001 General Session

### **63B-10-203 Purchase and redemption requirements.**

- (1) The notes and renewals of notes may provide the holders of the notes or renewals of notes with the right to require the state or other persons to purchase or redeem the notes or renewal notes before the stated maturity of the notes or renewals.
- (2) Notwithstanding Subsection (1), the holders of the notes and renewals of notes may not be provided with the right to require the state to repurchase or redeem the notes and renewals of the notes before their stated maturity unless the state has entered into one or more letter of credit agreements or other liquidity facility agreements:
  - (a) for the express purpose of those sales;
  - (b) that require a financially responsible party or parties to the agreement or agreements, other than the state, to purchase or redeem all or any portion of the notes and renewals of notes tendered by the holders of the notes or renewals of notes for repurchase or redemption before the stated maturity of the notes and renewals of notes; and
  - (c) that continue until the right of the holders of the notes and renewals of notes to require repurchase or redemption of the notes and renewals of notes before the stated maturity has ceased.

Enacted by Chapter 321, 2001 General Session

**63B-10-204 General provisions -- Funds and accounts.**

- (1)
  - (a) Sections 63B-10-105, 63B-10-106, 63B-10-113, 63B-10-114, 63B-10-115, and 63B-10-116 apply to any notes or renewals of notes issued under this part.
  - (b)
    - (i) For purposes of this part, any action that those sections require or permit the commission to take shall be considered sufficient if taken by the state treasurer.
    - (ii) The treasurer may take action by issuing a written order, or in some other manner that he finds necessary or convenient, to accomplish the purposes of this part.
- (2) The treasurer may:
  - (a) in a written order, establish whatever funds and accounts are necessary or desirable to carry out the purposes of this part; and
  - (b) until the money is needed for the purpose for which the fund or account was created, invest the money held in those funds and accounts by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act.

Amended by Chapter 342, 2011 General Session

**Part 3**  
**Revenue Bond Authorization**

**63B-10-301 Revenue bond authorizations.**

- (1)
  - (a) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$8,281,000 for the construction of an expansion of the Department of Alcoholic Beverage Services warehouse together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
  - (b) It is the intent of the Legislature that enhanced revenues of the Department of Alcoholic Beverage Services be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (1).
- (2)
  - (a) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$957,100 for the acquisition of a site and construction of a store in the western part of Salt Lake County for the Department of Alcoholic Beverage Services together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
  - (b) It is the intent of the Legislature that enhanced revenues of the Department of Alcoholic Beverage Services be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (2).
- (3)

- (a) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$1,497,700 for the acquisition of a site and construction of a store in the southern part of Salt Lake County for the Department of Alcoholic Beverage Services together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
- (b) It is the intent of the Legislature that enhanced revenues of the Department of Alcoholic Beverage Services be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (3).

(4)

- (a) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$100,000,000 for the acquisition and construction of a cancer clinical research hospital facility adjacent to the University of Utah Medical Center, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
- (b) The State Building Ownership Authority shall work cooperatively with the Division of Facilities Construction and Management and the University of Utah to seek out the most cost effective and prudent lease purchase plan available.
- (c) It is the intent of the Legislature that the University of Utah lease land to the State Building Ownership Authority for the construction of a cancer clinical research hospital facility adjacent to the University of Utah Medical Center.
- (d) The anticipated revenue sources for repayment of any obligation created under authority of this section are:
  - (i) the institutional funds of the University of Utah, including the University's annual distribution of tobacco settlement funds from the state; and
  - (ii) donations from the Huntsman Cancer Foundation and other donors.

(5) It is the intent of the Legislature that:

- (a) the Board of Higher Education, on behalf of the University of Utah, issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the University of Utah, other than appropriations of the Legislature, to finance the cost of acquiring, constructing, furnishing, and equipping an expansion of the University Hospital;
- (b) University Hospital revenues be used as the primary revenue source for repayment of any obligation created under authority of this section; and
- (c) the bonds or other evidences of indebtedness authorized by this section may provide up to \$25,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(6) It is the intent of the Legislature that:

- (a) the Board of Higher Education, on behalf of Salt Lake Community College, issue, sell, and deliver revenue bonds or other evidences of indebtedness of Salt Lake Community College to borrow money on the credit, revenues, and reserves of Salt Lake Community College, other than appropriations of the Legislature, to finance the cost of acquiring, constructing, furnishing, and equipping the remodel of the cafeteria and expansion of the Student Center;
- (b) student fees be used as the primary revenue source for repayment of any obligation created under authority of this section; and

- (c) the bonds or other evidences of indebtedness authorized by this section may provide up to \$6,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
- (7) It is the intent of the Legislature that:
  - (a) the Board of Higher Education, on behalf of Dixie College, issue, sell, and deliver revenue bonds or other evidences of indebtedness of Dixie College to borrow money on the credit, revenues, and reserves of Dixie College, other than appropriations of the Legislature, to finance the cost of acquiring, constructing, furnishing, and equipping an expansion of the Gardner Student Center;
  - (b) student fees be used as the primary revenue source for repayment of any obligation created under authority of this section; and
  - (c) the bonds or other evidences of indebtedness authorized by this section may provide up to \$1,500,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

Amended by Chapter 390, 2025 General Session

**63B-10-302 Other revenue bond authorizations.**

- (1) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations to provide up to \$12,000,000 for the construction of a 36-hole golf course at Soldier Hollow in the Wasatch Mountain State Park, including necessary facilities such as a clubhouse, restroom facilities, and maintenance facilities, together with additional amounts necessary to:
  - (a) pay costs of issuance;
  - (b) pay capitalized interest; and
  - (c) fund any debt service reserve requirements.
- (2) The State Building Ownership Authority shall work cooperatively with the Division of State Parks, formerly known as the Division of Parks and Recreation, in the design and construction of the golf course at Soldier Hollow.

Amended by Chapter 280, 2021 General Session

**Part 4**  
**Other 2001 Capital Facilities Authorizations and Intent Language**

**63B-10-401 Other capital facility authorizations and intent language.**

- (1) It is the intent of the Legislature that:
  - (a) Utah State University use institutional funds to plan, design, and construct an expansion of the HPER Building under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.
- (2) It is the intent of the Legislature that:

- (a) the University of Utah use institutional funds to plan, design, and construct the Moran Eye Center II project under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(3) It is the intent of the Legislature that:

- (a) the University of Utah use institutional funds to plan, design, and construct the E. E. Jones Medical Science Addition under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(4) It is the intent of the Legislature that:

- (a) the University of Utah use institutional funds to plan, design, and construct a Museum of Natural History under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(5) It is the intent of the Legislature that:

- (a) Dixie College use institutional funds to plan, design, and construct the Hurricane Education Center under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the college may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(6) It is the intent of the Legislature that:

- (a) Southern Utah University use institutional funds to plan, design, and construct the Shakespearean Festival Center under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the college may not request state funds for operations and maintenance.

(7) It is the intent of the Legislature that:

- (a) the Department of Corrections use donations to plan, design, and construct the Wasatch Family History Center under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the department may request state funds for operations and maintenance.

(8) It is the intent of the Legislature that:

- (a) the Department of Workforce Services use \$1,186,700 from its Special Administrative Expense Account to plan, design, and construct an addition to the Cedar City Employment Center under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated; and

(b) the department may request state funds for operations and maintenance.

(9) It is the intent of the Legislature that the Division of Facilities Construction and Management, acting on behalf of the Department of Natural Resources, may enter into a lease purchase agreement with Carbon County to provide needed space for agency programs in the area if the Department of Natural Resources obtains the approval of the Division of Facilities Construction and Management by demonstrating that the lease purchase will be a benefit to the state and that the lease, including operation and maintenance costs, can be funded within existing agency budgets.

Amended by Chapter 110, 2024 General Session

## **Chapter 11 2002 Bonding and Financing Authorizations**

### **Part 1 2002 Capital Facilities General Obligation Bonds**

#### **63B-11-101 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds to provide funds to the division.

Enacted by Chapter 199, 2002 General Session

#### **63B-11-102 Maximum amount -- Projects authorized.**

(1) The total amount of bonds issued under this part may not exceed \$236,000,000.

(2)

(a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).

(b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.

(c) For the division, proceeds shall be provided for the following:

PROJECT DESCRIPTION	AMOUNT FUNDED	ESTIMATED OPERATIONS AND MAINTENANCE
Brigham City Education Center Purchase	\$2,741,500.00	

Dixie State College Eccles/Graff Performing Arts Center	\$14,396,280	0200
Snow College Performing Arts Center	\$15,582,000	0000
Weber State University Classroom Building -- Davis Campus	\$20,506,558	0200
University of Utah Health Sciences Building	\$33,006,700	0000
Capitol Restoration Design/Parking Structure	\$25,977,000	0000
Utah Valley State College Wasatch Campus	\$9,587,024	600
Capitol Remodel - Extension Buildings	\$40,996,600	0000
Classroom Package (CEU, USU, UVSC)	\$44,815,000	0000
Utah Fieldhouse of Natural History	\$5,741,000	0000
Snow College Performing Arts Design	\$986,800	0000
Youth Corrections -	\$1,792,200	0200

Washington County			
Youth Corrections - Canyonlands	\$3,125	\$107	500
Utah National Guard - Maintenance Projects	\$1,074	\$100	
Utah State University Merrill Library Planning and Design	\$800	0	\$0
Courts - Salt Lake Courts Planning	\$475	0	\$0
Courts - Logan Courts	\$11,798	\$4,800	300
<b>TOTAL CAPITAL AND ECONOMIC DEVELOPMENT</b>	<b>\$233</b>	<b>371,900</b>	

(d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;
- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

(3)

- (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
- (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
- (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.

(4)

- (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
- (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
- (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.

- (d) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.
- (5) It is the intent of the Legislature that the funding of the Capitol Restoration Design/Parking Structure does not bind this Legislature, or future Legislatures, to wholly or partially fund the capitol remodel.

Amended by Chapter 4, 2002 Special Session 6

Amended by Chapter 4, 2002 Special Session 6

**63B-11-103 Use of bond proceeds for issuance and other costs.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-11-102 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Enacted by Chapter 199, 2002 General Session

**63B-11-104 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rate or rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 15 years after the date of final passage of this chapter.

Enacted by Chapter 199, 2002 General Session

**63B-11-105 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;
  - (h) redemption terms; and
  - (i) other provisions and details it considers appropriate.
- (2) The commission may, by resolution, adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)

- (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
- (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
- (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
- (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.

(4)

- (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
- (b) Bonds in changed denominations shall:
  - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
  - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.

(5)

- (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
- (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302 or protected records as provided in Section 63G-2-305.
- (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:
  - (i) the calculation, holding, and payment of those amounts; and
  - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-11-106 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.

(2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, including fee-in-lieu property, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 199, 2002 General Session

**63B-11-107 Tax levy -- Abatement of tax.**

(1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:

- (a) applicable bond redemption premiums, if any;
- (b) interest on the bonds as it becomes due; and
- (c) principal of the bonds as it becomes due.

(2)

- (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.
- (b) The tax shall be collected and the proceeds applied as provided in this chapter.

(3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 199, 2002 General Session

**63B-11-108 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "2002 Capital Facilities General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 199, 2002 General Session

**63B-11-109 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 199, 2002 General Session

**63B-11-110 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.

(2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 199, 2002 General Session

**63B-11-111 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

(1)

- (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
- (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
- (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.

(2)

- (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
- (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.

(3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-11-112 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state is considered the public body and the commission its governing body.

Enacted by Chapter 199, 2002 General Session

**63B-11-113 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all conditions precedent.

Enacted by Chapter 199, 2002 General Session

**63B-11-114 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 199, 2002 General Session

**63B-11-115 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 199, 2002 General Session

**63B-11-116 Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

- (a) publish any resolution it adopts under this chapter:
  - (i) once in a newspaper having general circulation in Utah; and
  - (ii) as required in Section 45-1-101; or
- (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection 11-14-316(2).

(2)

- (a) Any interested person, for 30 days after the date of publication, may contest:
  - (i) the legality of the resolution;
  - (ii) any of the bonds authorized under it; or
  - (iii) any of the provisions made for the security and repayment of the bonds.
- (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-11-117 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in his budget for as long as bonds issued under this chapter remain outstanding.

Enacted by Chapter 199, 2002 General Session

**Part 2**  
**2002 Engineering Building General Obligation Bonds**

**63B-11-201 State Bonding Commission authorized to issue general obligation bonds.**

When the conditions established in Section 63B-11-202 are met, the commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds to provide funds to the division.

Enacted by Chapter 252, 2002 General Session

**63B-11-202 Maximum amount -- Projects authorized.**

(1)

- (a) The total amount of bonds issued under this part may not exceed \$21,250,000.

- (b) When Utah State University certifies to the commission that the university has obtained reliable commitments, convertible to cash, of \$5,000,000 or more in nonstate funds to construct an addition to the new engineering building and demolish the existing engineering classroom building, the commission may issue and sell general obligation bonds in a total amount not to exceed \$6,100,000.
- (c) When the University of Utah certifies to the commission that the university has obtained reliable commitments, convertible to cash, of \$13,000,000 or more in nonstate funds to construct a new engineering building, the commission may issue and sell general obligation bonds in a total amount not to exceed \$15,150,000.

- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.
  - (c) For the division, proceeds shall be provided for the following:

PROJECT DESCRIPTION	AMOUNT FUNDED	ESTIMATED OPERATING AND MAINTENANCE COSTS
1. Utah State University Engineering Building Renovation	\$5,943,500	\$425,000
2. University of Utah New Engineering Building	\$15,000,000	\$489,000
COSTS OF ISSUANCE	\$306,500	
TOTAL CAPITAL AND ECONOMIC DEVELOPMENT		\$21,250,000

- (d) For purposes of this section, operations and maintenance costs:
  - (i) are estimates only;
  - (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
  - (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

- (3)
  - (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
  - (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
  - (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.
- (4)
  - (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.

- (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
- (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
- (d) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.

(5)

- (a) For those projects for which only partial funding is provided in Subsection (2), it is the intent of the Legislature that the balance necessary to complete the projects be addressed by future Legislatures, either through appropriations or through the issuance or sale of bonds.
- (b) For those phased projects, the division may enter into contracts for amounts not to exceed the anticipated full project funding but may not allow work to be performed on those contracts in excess of the funding already authorized by the Legislature.
- (c) Those contracts shall contain a provision for termination of the contract for the convenience of the state.
- (d) It is also the intent of the Legislature that this authorization to the division does not bind future Legislatures to fund projects initiated from this authorization.

Amended by Chapter 196, 2014 General Session

**63B-11-203 Use of bond proceeds for issuance and other costs.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-11-202 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Enacted by Chapter 252, 2002 General Session

**63B-11-204 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rate or rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 15 years after the date of final passage of this chapter.

Enacted by Chapter 252, 2002 General Session

**63B-11-205 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:

- (a) the manner of sale, including public or private sale;
- (b) the terms and conditions of sale, including price, whether at, below, or above face value;
- (c) denominations;
- (d) form;
- (e) manner of execution;
- (f) manner of authentication;
- (g) place and medium of purchase;

- (h) redemption terms; and
- (i) other provisions and details it considers appropriate.

(2) The commission may, by resolution, adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.

(3)

- (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
- (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
- (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
- (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.

(4)

- (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
- (b) Bonds in changed denominations shall:
  - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
  - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.

(5)

- (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
- (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302 or protected records as provided in Section 63G-2-305.
- (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:

- (i) the calculation, holding, and payment of those amounts; and
- (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-11-206 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.
- (2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, including fee-in-lieu property, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 252, 2002 General Session

**63B-11-207 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2) (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.  
(b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 252, 2002 General Session

**63B-11-208 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "2002 General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 252, 2002 General Session

**63B-11-209 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and

(b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 252, 2002 General Session

**63B-11-210 Investment of sinking fund money.**

(1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.

(2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 252, 2002 General Session

**63B-11-211 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

(1)

- (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
- (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
- (c) The commission by resolution may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.

(2)

- (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
- (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.

(3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-11-212 Refunding of bonds.**

(1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.

(2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state is considered the public body and the commission its governing body.

Enacted by Chapter 252, 2002 General Session

**63B-11-213 Certification of satisfaction of conditions precedent -- Conclusiveness.**

(1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.

(2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all conditions precedent.

Enacted by Chapter 252, 2002 General Session

**63B-11-214 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 252, 2002 General Session

**63B-11-215 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 252, 2002 General Session

**63B-11-216 Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

- (a) publish any resolution it adopts under this chapter:
  - (i) once in a newspaper having general circulation in Utah; and
  - (ii) as required in Section 45-1-101; or
- (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection 11-14-316(2).

(2)

- (a) Any interested person, for 30 days after the date of publication, may contest:
  - (i) the legality of the resolution;
  - (ii) any of the bonds authorized under it; or
  - (iii) any of the provisions made for the security and repayment of the bonds.
- (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-11-217 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in his budget for as long as bonds issued under this chapter remain outstanding.

Enacted by Chapter 252, 2002 General Session

**Part 3**  
**2002 Highway General Obligation Bonds**

**63B-11-301 State Bonding Commission authorized to issue general obligation bonds.**

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds, to provide funds to the Department of Transportation.

Enacted by Chapter 278, 2002 General Session

**63B-11-302 Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$159,000,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the Department of Transportation to provide funds to pay all or part of the costs of state highway construction or reconstruction projects.
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of Chapter 11, Part 4, 2002 Highway General Obligation Bond Anticipation Notes Authorization, and all related engineering, architectural, and legal fees.
- (3) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (4) The Department of Transportation may enter into agreements related to that project before the receipt of proceeds of bonds issued under this chapter.

Enacted by Chapter 278, 2002 General Session

**63B-11-303 Bond proceeds may be used to pay costs of issuance and sale.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-11-302 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discount.

Enacted by Chapter 278, 2002 General Session

**63B-11-304 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 15 years after the dated date of the bonds.

Enacted by Chapter 278, 2002 General Session

**63B-11-305 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;

- (c) denominations;
- (d) form;
- (e) manner of execution;
- (f) manner of authentication;
- (g) place and medium of purchase;
- (h) redemption terms; and
- (i) other provisions and details it considers appropriate.

(2) The commission may, by resolution, adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.

(3)

- (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
- (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
- (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.
- (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.

(4)

- (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
- (b) Bonds in changed denominations shall:
  - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
  - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.

(5)

- (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
- (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
- (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302, or protected records as provided in Section 63G-2-305.
- (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149

of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

- (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148(f) of the Internal Revenue Code of 1986, as amended; and
- (b) enter into agreements with financial and other institutions and attorneys to provide for:
  - (i) the calculation, holding, and payment of those amounts; and
  - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-11-306 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.
- (2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, including fee-in-lieu property, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 278, 2002 General Session

**63B-11-307 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2)
  - (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.
  - (b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 278, 2002 General Session

**63B-11-308 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "2002 Highway General Obligation Bonds Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 278, 2002 General Session

**63B-11-309 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 278, 2002 General Session

**63B-11-310 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 278, 2002 General Session

**63B-11-311 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
  - (c) The commission, by resolution, may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission, by resolution, shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-11-312 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state of Utah is considered the public body and the commission its governing body.

Enacted by Chapter 278, 2002 General Session

**63B-11-313 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all these conditions.

Enacted by Chapter 278, 2002 General Session

**63B-11-314 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 278, 2002 General Session

**63B-11-315 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 278, 2002 General Session

**63B-11-316 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may:
  - (a) publish any resolution it adopts under this chapter:
    - (i) once in a newspaper having general circulation in Utah; and
    - (ii) as required in Section 45-1-101; or
  - (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection 11-14-316(2).
- (2)
  - (a) Any interested person, for 30 days after the date of publication, may contest:
    - (i) the legality of the resolution;
    - (ii) any of the bonds authorized under it; or
    - (iii) any of the provisions made for the security and repayment of the bonds.
  - (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-11-317 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in his budget for as long as bonds issued under this chapter remain outstanding.

Enacted by Chapter 278, 2002 General Session

**Part 4**  
**2002 Highway General Obligation Bond Anticipation Notes**

**63B-11-401 Definitions.**

As used in this part:

- (1) "Bond anticipation note" means a note issued in anticipation of the receipt of the proceeds of the sale of the bonds authorized under Part 3, 2002 Highway General Obligation Bonds.
- (2) "Flexible note" means a bond anticipation note whose interest is payable at, and on one or more dates before, maturity.
- (3)
  - (a) "Short-term series note" means a bond anticipation note that is one of a series of notes issued pursuant to a financing program under which it is expected that:
    - (i) each note will be paid from the proceeds of one or more renewal notes of that series; and
    - (ii) the final note or notes of the series will be paid from:
      - (A) the proceeds of bonds in anticipation of the receipt of which the note or notes were issued; or
      - (B) money of the state on hand and legally available for that purpose.
  - (b) "Short-term series note" includes any note issued pursuant to a revolving credit agreement or other similar liquidity facility for the purpose of renewing or paying outstanding short-term series notes on their stated maturity dates when those short-term series notes are not renewed or paid from the proceeds of one or more other renewal notes of the series.

Enacted by Chapter 278, 2002 General Session

**63B-11-402 Authorization, terms, and procedures.**

- (1) The state treasurer may, by written order, issue bond anticipation notes and renewals of bond anticipation notes, including, but not limited to, flexible notes and short-term series notes, in the form and with the terms that he determines.
- (2) The state treasurer may:
  - (a) enter into whatever agreements with other persons that he considers necessary or appropriate in connection with the issuance, sale, and resale of the notes; and
  - (b) resell or retire any notes purchased by the state before the stated maturity of those notes.
- (3)
  - (a) The notes and renewals of the notes shall:
    - (i) bear the interest rate or rates as determined by the state treasurer; and
    - (ii) mature within a period not to exceed five years from the date of original issuance.
  - (b) The notes and renewals of notes may:
    - (i) bear a variable interest rate; and
    - (ii) be redeemed prior to maturity by the state treasurer, but only in accordance with the provisions of the notes relating to redemption prior to maturity.
- (4) The proceeds from the sale of the notes may be used only for:
  - (a) the purposes established in Section 63B-11-302;
  - (b) the payment of principal of and, if not otherwise provided, interest on, bond anticipation notes;
  - (c) the payment of costs of issuance; or
  - (d) any combination of Subsections (4)(a), (b), and (c).
- (5)

- (a) All of the notes and any renewals of the notes shall be payable from the proceeds of the sale of bonds.
- (b) A renewal of any note may not be issued after the sale of bonds in anticipation of which the original note was issued.
- (6) If a sale of the bonds has not occurred before the maturity of the notes issued in anticipation of the sale, the state treasurer shall, in order to meet the notes then maturing:
  - (a) issue renewal notes for that purpose;
  - (b) pay the notes from state money legally available for paying those notes; or
  - (c) any combination of Subsections (6)(a) and (b).
- (7) Each note and any renewal of any note, with the interest on the note or renewal, constitute general obligations of the state.
- (8) Each note and any renewal of any note, with the interest on the note or renewal, shall be:
  - (a) secured by the full faith, credit, and resources of the state in the manner provided in Part 3, 2002 Highway General Obligation Bonds;
  - (b) payable from:
    - (i) the proceeds of the sale of the bonds and not from any other borrowing; and
    - (ii) money of the state on hand and legally available for that purpose; or
    - (iii) any combination of Subsections (8)(b)(i) and (ii); and
  - (c) payable within five years from the date of original issue.
- (9)
  - (a) As used in this Subsection (9), "total amount of bonds authorized to be issued but not yet issued" includes bonds authorized to be issued only if one or more conditions are met.
  - (b) The total amount of notes or renewals of notes issued and outstanding at any one time may not exceed the total amount of bonds authorized to be issued but not yet issued.
- (10) The state treasurer shall, in his annual report to the governor, include a detailed statement of all notes and bonds issued during the year and of his actions in relation to them.

Enacted by Chapter 278, 2002 General Session

### **63B-11-403 Purchase and redemption requirements.**

- (1) The notes and renewals of notes may provide the holders of the notes or renewals of notes with the right to require the state or other persons to purchase or redeem the notes or renewal notes before the stated maturity of the notes or renewals.
- (2) Notwithstanding Subsection (1), the holders of the notes and renewals of notes may not be provided with the right to require the state to repurchase or redeem the notes and renewals of the notes before their stated maturity unless the state has entered into one or more letter of credit agreements or other liquidity facility agreements:
  - (a) for the express purpose of those sales;
  - (b) that require a financially responsible party or parties to the agreement or agreements, other than the state, to purchase or redeem all or any portion of the notes and renewals of notes tendered by the holders of the notes or renewals of notes for repurchase or redemption before the stated maturity of the notes and renewals of notes; and
  - (c) that continue until the right of the holders of the notes and renewals of notes to require repurchase or redemption of the notes and renewals of notes before the stated maturity has ceased.

Enacted by Chapter 278, 2002 General Session

**63B-11-404 General provisions -- Funds and accounts.**

- (1)
  - (a) Sections 63B-11-305, 63B-11-306, 63B-11-313, 63B-11-314, 63B-11-315, and 63B-11-316 apply to any notes or renewals of notes issued under this part.
  - (b)
    - (i) For purposes of this part, any action that those sections require or permit the commission to take shall be considered sufficient if taken by the state treasurer.
    - (ii) The treasurer may take action by issuing a written order, or in some other manner that he finds necessary or convenient, to accomplish the purposes of this part.
- (2) The treasurer may:
  - (a) in a written order, establish whatever funds and accounts are necessary or desirable to carry out the purposes of this part; and
  - (b) until the money is needed for the purpose for which the fund or account was created, invest the money held in those funds and accounts by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act.

Amended by Chapter 342, 2011 General Session

**Part 5**  
**2002 Highway General Obligation Bonds for Salt Lake County**

**63B-11-501 State Bonding Commission authorized to issue general obligation bonds.**

Upon receipt of a written opinion from the Utah Attorney General that Salt Lake County has entered a binding legal agreement with the state in which Salt Lake County agrees, until all of the principal, interest, and issuance costs on the bonds have been paid, to annually transfer enough of the amount described in Subsection 59-12-2214(3)(b) to the sinking fund created in Section 63B-11-508 to pay the principal, interest, and issuance costs for any general obligation bonds issued to provide funds for any of the Salt Lake County transportation projects identified in Section 63B-11-502, the commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds, to provide funds to the Department of Transportation.

Amended by Chapter 263, 2010 General Session

**63B-11-502 Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$52,101,800.
- (2)
  - (a)
    - (i) Proceeds from the issuance of bonds shall be provided to the Department of Transportation to provide funds to pay all or part of the costs of accelerating any of the following state highway construction or reconstruction projects in Salt Lake County:
      - (A) I-15: 10600 South to the Utah County line;
      - (B) Final Environmental Impact Statement for Western Transportation Corridor: I-80 to Utah County;
      - (C) I-215: Redwood Road to 4700 South;

- (D) State Street Reconstruction: 9000 South to 10600 South; and
- (E) except as provided in Subsection (2)(d), State Street Reconstruction: 7800 South to 8000 South.

- (ii) If the Department of Transportation is unable to begin or complete a project authorized by this Subsection (2)(a) because of a court order, the Department of Transportation, with the approval of Salt Lake County, may expend bond proceeds to construct one or more projects identified in Subsection (2)(e).

- (b) When the Utah Transit Authority certifies to the Transportation Commission that the Utah Transit Authority will pay half the costs of reconstruction of the Utah Transit Authority railroad overpass on 8000 South State Street, the Department of Transportation may provide funds from bond proceeds to pay the other half of the costs of reconstruction of the Utah Transit Authority railroad overpass on 8000 South.
- (c) As used in Subsections (2)(a) and (b), "costs" may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of Chapter 11, Part 6, 2002 Highway General Obligation Bond Anticipation Notes for Salt Lake County, and all related engineering, architectural, and legal fees.
- (d) Bond proceeds may not be expended on the State Street Reconstruction: 7800 to 8000 South project until the Transportation Commission has received the certification required by Subsection (2)(b) from the Utah Transit Authority.
- (e) As the following projects or future projects identified by Salt Lake County and the Legislature are prepared and ready for construction by the Department of Transportation, it is the intent of the Legislature that they will be accelerated and funded from future general obligation bonds issued in anticipation of receiving debt service funds from the amount described in Subsection 59-12-2214(3)(b) and from other funding sources available to the Department of Transportation:
  - (i) 5600 West Reconstruction: 4500 South to 7000 South;
  - (ii) Redwood Road: 12600 South to Bangerter Highway;
  - (iii) I-15: Beck Street Overpass;
  - (iv) I-215: 4700 South to SR-201;
  - (v) acquisition of rights-of-way for the Western Transportation Corridor;
  - (vi) 11400 South: I-15 to Redwood Road; and
  - (vii) State Street Reconstruction 6400 South to 7800 South and 8000 South to 9000 South.

- (3) If any portion of the proceeds of the tax paid to the state are not required to pay principal, interest, and issuance costs of the bonds and the principal, interest, and issuance costs of the bond have been paid off, or if, after completion of the projects authorized under Subsection (2)(a) and payment of the costs of issuing and selling the bonds under Section 63B-11-503, any bond proceeds remain unexpended, the Department of Transportation may use those unexpended proceeds to pay all or part of the costs of construction projects in Salt Lake County that have been approved and prioritized by the Transportation Commission.
- (4) The commission, by resolution, or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (5) The Department of Transportation may enter into agreements related to the projects before the receipt of proceeds of bonds issued under this chapter.

Amended by Chapter 452, 2025 General Session

**63B-11-503 Bond proceeds may be used to pay costs of issuance and sale.**

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-11-502 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, liquidity providers' fees, credit enhancement providers' fees, and underwriters' discount.

Enacted by Chapter 266, 2002 General Session

**63B-11-504 Manner of issuance -- Amounts, interest, and maturity.**

- (1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.
- (2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rates, including a variable rate, and maturity dates as the commission determines by resolution.
- (3) A bond issued may not mature later than 15 years after the dated date of the bonds.

Enacted by Chapter 266, 2002 General Session

**63B-11-505 Terms and conditions of sale -- Plan of financing -- Signatures -- Replacement -- Registration -- Federal rebate.**

- (1) In the issuance of bonds, the commission may determine by resolution:
  - (a) the manner of sale, including public or private sale;
  - (b) the terms and conditions of sale, including price, whether at, below, or above face value;
  - (c) denominations;
  - (d) form;
  - (e) manner of execution;
  - (f) manner of authentication;
  - (g) place and medium of purchase;
  - (h) redemption terms; and
  - (i) other provisions and details it considers appropriate.
- (2) The commission may, by resolution, adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.
- (3)
  - (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.
  - (b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.
  - (c) If an official ceases to hold office before delivery of the bonds signed by that official, the signature or facsimile signature of the official is nevertheless valid for all purposes.

- (d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.
- (4)
  - (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.
  - (b) Bonds in changed denominations shall:
    - (i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and
    - (ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.
- (5)
  - (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.
  - (b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.
  - (c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63G-2-302, or protected records as provided in Section 63G-2-305.
  - (d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.
- (6) The commission may:
  - (a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and
  - (b) enter into agreements with financial and other institutions and attorneys to provide for:
    - (i) the calculation, holding, and payment of those amounts; and
    - (ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Amended by Chapter 382, 2008 General Session

**63B-11-506 Constitutional debt limitation.**

- (1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.
- (2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Enacted by Chapter 266, 2002 General Session

**63B-11-507 Tax levy -- Abatement of tax.**

- (1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:
  - (a) applicable bond redemption premiums, if any;
  - (b) interest on the bonds as it becomes due; and
  - (c) principal of the bonds as it becomes due.
- (2) (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.  
(b) The tax shall be collected and the proceeds applied as provided in this chapter.
- (3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 266, 2002 General Session

**63B-11-508 Creation of sinking fund.**

- (1) There is created a sinking fund, to be administered by the state treasurer, entitled the "2002 Highway General Obligation Bonds for Salt Lake County Sinking Fund."
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The proceeds of all taxes levied under this chapter are appropriated to this fund.
- (4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Enacted by Chapter 266, 2002 General Session

**63B-11-509 Payment of interest, principal, and redemption premiums.**

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
  - (a) promptly pay the warrants from funds within the sinking fund; and
  - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 266, 2002 General Session

**63B-11-510 Investment of sinking fund money.**

- (1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.
- (2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Enacted by Chapter 266, 2002 General Session

**63B-11-511 Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.**

- (1)
  - (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.
  - (b) The state treasurer shall administer and maintain these accounts unless otherwise provided by the commission by resolution.
  - (c) The commission, by resolution, may provide for the deposit of the money with a trustee and the administration, disposition, or investment of the money by this trustee.
- (2)
  - (a) The commission, by resolution, shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.
  - (b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.
- (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Amended by Chapter 342, 2011 General Session

**63B-11-512 Refunding of bonds.**

- (1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.
- (2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state is considered the public body and the commission its governing body.

Enacted by Chapter 266, 2002 General Session

**63B-11-513 Certification of satisfaction of conditions precedent -- Conclusiveness.**

- (1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.
- (2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all such conditions.

Enacted by Chapter 266, 2002 General Session

**63B-11-514 Tax exemption.**

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Enacted by Chapter 266, 2002 General Session

**63B-11-515 Legal investment status.**

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Enacted by Chapter 266, 2002 General Session

**63B-11-516 Publication of resolution or notice -- Limitation on actions to contest legality.**

- (1) The commission may:
  - (a) publish any resolution it adopts under this chapter:
    - (i) once in a newspaper having general circulation in Utah; and
    - (ii) as required in Section 45-1-101; or
  - (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection 11-14-316(2).
- (2)
  - (a) Any interested person, for 30 days after the date of publication, may contest:
    - (i) the legality of the resolution;
    - (ii) any of the bonds authorized under it; or
    - (iii) any of the provisions made for the security and repayment of the bonds.
  - (b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Amended by Chapter 388, 2009 General Session

**63B-11-517 Report to Legislature.**

The governor shall report the commission's proceedings to each annual general session of the Legislature in his budget for as long as bonds issued under this chapter remain outstanding.

Enacted by Chapter 266, 2002 General Session

**Part 6**

**2002 Highway General Obligation Bond Anticipation Notes for Salt Lake County**

**63B-11-601 Definitions.**

As used in this part:

- (1) "Bond anticipation note" means a note issued in anticipation of the receipt of the proceeds of the sale of the bonds authorized under Part 5, 2002 Highway General Obligation Bonds for Salt Lake County.
- (2) "Flexible note" means a bond anticipation note whose interest is payable at, and on one or more dates before, maturity.
- (3)
  - (a) "Short-term series note" means a bond anticipation note that is one of a series of notes issued pursuant to a financing program under which it is expected that:
    - (i) each note will be paid from the proceeds of one or more renewal notes of that series; and
    - (ii) the final note or notes of the series will be paid from:
      - (A) the proceeds of bonds in anticipation of the receipt of which the note or notes were issued; or
      - (B) money of the state on hand and legally available for that purpose.
  - (b) "Short-term series note" includes any note issued pursuant to a revolving credit agreement or other similar liquidity facility for the purpose of renewing or paying outstanding short-term series notes on their stated maturity dates when those short-term series notes are not renewed or paid from the proceeds of one or more other renewal notes of the series.

Enacted by Chapter 266, 2002 General Session

**63B-11-602 Authorization, terms, and procedures.**

- (1) The state treasurer may, by written order, issue bond anticipation notes and renewals of bond anticipation notes, including, but not limited to, flexible notes and short-term series notes, in the form and with the terms that he determines.
- (2) The state treasurer may:
  - (a) enter into whatever agreements with other persons that he considers necessary or appropriate in connection with the issuance, sale, and resale of the notes; and
  - (b) resell or retire any notes purchased by the state before the stated maturity of those notes.
- (3)
  - (a) The notes and renewals of the notes shall:
    - (i) bear the interest rate or rates as determined by the state treasurer; and
    - (ii) mature within a period not to exceed three years.
  - (b) The notes and renewals of notes may:
    - (i) bear a variable interest rate; and
    - (ii) be redeemed prior to maturity by the state treasurer, but only in accordance with the provisions of the notes relating to redemption prior to maturity.
- (4) The proceeds from the sale of the notes may be used only for:
  - (a) the purposes established in Section 63B-11-502;
  - (b) the payment of principal of and, if not otherwise provided, interest on, bond anticipation notes;
  - (c) the payment of costs of issuance; or
  - (d) any combination of Subsections (4)(a), (b), and (c).
- (5)
  - (a) All of the notes and any renewals of the notes shall be payable from the proceeds of the sale of bonds.
  - (b) A renewal of any note may not be issued after the sale of bonds in anticipation of which the original note was issued.
- (6) If a sale of the bonds has not occurred before the maturity of the notes issued in anticipation of the sale, the state treasurer shall, in order to meet the notes then maturing:
  - (a) issue renewal notes for that purpose;
  - (b) pay the notes from state money legally available for paying those notes; or
  - (c) any combination of Subsections (6)(a) and (b).
- (7) Each note and any renewal of any note, with the interest on the note or renewal, constitute general obligations of the state.
- (8) Each note and any renewal of any note, with the interest on the note or renewal, shall be:
  - (a) secured by the full faith, credit, and resources of the state in the manner provided in Part 5, 2002 Highway General Obligation Bonds for Salt Lake County;
  - (b) payable from:
    - (i) the proceeds of the sale of the bonds and not from any other borrowing;
    - (ii) money of the state on hand and legally available for that purpose; or
    - (iii) any combination of Subsections (8)(b)(i) and (ii); and
  - (c) payable within five years from the date of original issue.
- (9)
  - (a) As used in this Subsection (9), "total amount of bonds authorized to be issued but not yet issued" includes bonds authorized to be issued only if one or more conditions are met.
  - (b) The total amount of notes or renewals of notes issued and outstanding at any one time may not exceed the total amount of bonds authorized to be issued but not yet issued.

(10) The state treasurer shall, in his annual report to the governor, include a detailed statement of all notes and bonds issued during the year and of his actions in relation to them.

Enacted by Chapter 266, 2002 General Session

**63B-11-603 Purchase and redemption requirements.**

(1) The notes and renewals of notes may provide the holders of the notes or renewals of notes with the right to require the state or other persons to purchase or redeem the notes or renewal notes before the stated maturity of the notes or renewals.

(2) Notwithstanding Subsection (1), the holders of the notes and renewals of notes may not be provided with the right to require the state to repurchase or redeem the notes and renewals of the notes before their stated maturity unless the state has entered into one or more letter of credit agreements or other liquidity facility agreements:

- (a) for the express purpose of those sales;
- (b) that require a financially responsible party or parties to the agreement or agreements, other than the state, to purchase or redeem all or any portion of the notes and renewals of notes tendered by the holders of the notes or renewals of notes for repurchase or redemption before the stated maturity of the notes and renewals of notes; and
- (c) that continue until the right of the holders of the notes and renewals of notes to require repurchase or redemption of the notes and renewals of notes before the stated maturity has ceased.

Enacted by Chapter 266, 2002 General Session

**63B-11-604 General provisions -- Funds and accounts.**

(1)

- (a) Sections 63B-11-505, 63B-11-506, 63B-11-513, 63B-11-514, 63B-11-515, and 63B-11-516 apply to any notes or renewals of notes issued under this part.
- (b)
  - (i) For purposes of this part, any action that those sections require or permit the commission to take shall be considered sufficient if taken by the state treasurer.
  - (ii) The treasurer may take action by issuing a written order, or in some other manner that he finds necessary or convenient, to accomplish the purposes of this part.

(2) The treasurer may:

- (a) in a written order, establish whatever funds and accounts are necessary or desirable to carry out the purposes of this part; and
- (b) until the money is needed for the purpose for which the fund or account was created, invest the money held in those funds and accounts by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act.

Amended by Chapter 342, 2011 General Session

**Part 7**  
**2002 Revenue Bond and Capital Facilities Authorizations**

**63B-11-701 Revenue bond authorizations.**

(1) It is the intent of the Legislature that:

- (a) the Board of Regents, on behalf of the University of Utah, issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the University of Utah, other than appropriations of the Legislature, to refinance the cost of acquiring, constructing, furnishing, and equipping the East-Campus Central Plant and related energy improvements;
- (b) savings in heating and cooling costs be used as the primary revenue source for repayment of any obligation created under authority of this section; and
- (c) the bonds or other evidences of indebtedness authorized by this section may provide up to \$33,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(2) It is the intent of the Legislature that:

- (a) the Board of Regents, on behalf of Utah State University, issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of Utah State University, other than appropriations of the Legislature, to finance the cost of acquiring, constructing, furnishing, and equipping research and office facilities at its Research Park;
- (b) revenues from research activities, the Utah State University Research Foundation, and other institutional funds be used as the primary revenue source for repayment of any obligation created under authority of this section; and
- (c) the bonds or other evidences of indebtedness authorized by this section may provide up to \$19,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(3) It is the intent of the Legislature that:

- (a) the Board of Regents, on behalf of Southern Utah University, issue, sell, and deliver revenue bonds or other evidences of indebtedness of Southern Utah University to borrow money on the credit, revenues, and reserves of Southern Utah University, other than appropriations of the Legislature, to finance the cost of acquiring, constructing, furnishing, and equipping a Student Living and Learning Facility;
- (b) student housing and other auxiliary revenues and student building fees be used as the primary revenue source for repayment of any obligation created under authority of this section; and
- (c) the bonds or other evidences of indebtedness authorized by this section may provide up to \$9,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(4) It is the intent of the Legislature that:

- (a) the Board of Regents, on behalf of Snow College, issue, sell, and deliver revenue bonds or other evidences of indebtedness of Snow College to borrow money on the credit, revenues, and reserves of Snow College, other than appropriations of the Legislature, to finance the cost of acquiring, constructing, furnishing, and equipping a Multi-Event Center in Richfield;
- (b) usage fees and other operating revenues be used as the primary revenue source for repayment of any obligation created under authority of this section; and
- (c) the bonds or other evidences of indebtedness authorized by this section may provide up to \$2,500,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(5) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which

participation interests may be created, to provide up to \$1,836,000 for the acquisition of a site and construction of a store in Tooele for the Department of Alcoholic Beverage Services, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

Amended by Chapter 447, 2022 General Session

**63B-11-702 Other capital facility authorizations and intent language.**

(1) It is the intent of the Legislature that:

- (a) Salt Lake Community College use donations and other institutional funds to plan, design, and construct a renovation of and addition to the Grand Theater under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the college may request state funds for operations and maintenance to the extent that the college is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(2) It is the intent of the Legislature that:

- (a) the University of Utah use donations, grants, and other institutional funds to plan, design, and construct a Department of Chemistry Gauss House under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(3) It is the intent of the Legislature that:

- (a) the University of Utah use donations and other institutional funds to plan, design, and construct an expansion of the Eccles Health Science Library and the associated parking structure under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(4) It is the intent of the Legislature that:

- (a) the University of Utah use donations and other institutional funds to plan, design, and construct a Phase II Addition to the Moran Eye Center under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the university may not request state funds for operations and maintenance.

(5) It is the intent of the Legislature that:

- (a) the University of Utah use donations and other institutional funds to plan, design, and construct a Children's Dance Theatre under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the university may not request state funds for operations and maintenance.

(6) It is the intent of the Legislature that:

- (a) Utah State University use donations and other institutional funds to plan, design, and construct a Teaching Pavilion at its Animal Science Farm under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(7) It is the intent of the Legislature that:

- (a) the Division of Juvenile Justice and Youth Services use donations to plan, design, and construct a chapel at the Slate Canyon Youth Corrections Facility under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the division may not request additional state funding for operations and maintenance.

(8) It is the intent of the Legislature that the Utah National Guard use federal funds and proceeds from the sale of property to acquire a site for new facilities in Salt Lake or Davis County.

(9) It is the intent of the Legislature that:

- (a) the Utah National Guard use donations and grants to plan, design, and construct the renovation and expansion of the Fort Douglas Military Museum under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the National Guard may not request additional state funding for operations and maintenance.

(10) It is the intent of the Legislature that:

- (a) the Division of Facilities Construction and Management pursue the exchange of public safety facilities in Orem if:
  - (i) the land and newly constructed replacement facilities meet the needs of the Driver License Division and the Utah Highway Patrol; and
  - (ii) the replacement property and facilities can be obtained at a cost that is not less than the market value of the existing property and facilities; and
- (b) the division confirms the value of the properties to be exchanged.

Amended by Chapter 240, 2024 General Session

## **Chapter 12 2003 Bonding and Financing Authorizations**

### **Part 1 2003 General Obligation Bonds**

#### **63B-12-101 Capital facilities bonds -- Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this section may not exceed \$65,300,000.
- (2)

- (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).
- (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.
- (c) For the division, proceeds shall be provided for the following:

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**CAPITAL IMPROVEMENTS**

Alterations, Repairs,  
and Improvements\$4,200,000  
**TOTAL CAPITAL IMPROVEMENTS\$4,200,000**

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**CAPITAL DEVELOPMENT PROJECTS**

Estimated  
OperationsProject  
ProjectandAmount  
DescriptionMaintenanceFunded

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Division of Archives -  
Building\$143,000\$8,000,000  
Utah Valley State College -  
Purchase of  
Vineyard Elementary\$629,800\$6,600,000  
Capitol Restoration\$0\$5,800,000  
Utah State University -  
Library\$600,000\$40,000,000  
**TOTAL CAPITAL  
DEVELOPMENT  
PROJECTS\$60,400,000**

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**TOTAL GENERAL OBLIGATION BOND AUTHORIZATION  
FOR CAPITAL IMPROVEMENTS AND  
CAPITAL DEVELOPMENT PROJECTS\$64,600,000**

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- (d) For purposes of this section, operations and maintenance costs:
  - (i) are estimates only;
  - (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
  - (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

(3)

- (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
- (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.

- (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.
- (4)
  - (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
  - (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
  - (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
  - (d) The commission or the state treasurer may make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.

Enacted by Chapter 302, 2003 General Session

**63B-12-102 Highway bonds -- Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$109,500,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the Department of Transportation to provide funds to pay all or part of the costs of state highway construction or reconstruction projects.
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.
- (3) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (4) The Department of Transportation may enter into agreements related to that project before the receipt of proceeds of bonds issued under this chapter.

Enacted by Chapter 302, 2003 General Session

**Part 2**  
**2003 Revenue Bond Authorizations**

**63B-12-201 Revenue bond authorizations.**

- (1)
  - (a) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$14,099,000 for the construction of a state courthouse in the City of West Jordan together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

- (b) It is the intent of the Legislature that, before entering into the obligations authorized by this Subsection (1), the State Building Ownership Authority shall confirm that the projected amount of fees in the Courts Complex Fund, Fund 106, along with other funds in existing budgets of the courts are adequate to cover the repayment of any obligation created under authority of this Subsection (1).
- (c) It is further the intent of the Legislature that when Sandy City has entered into a binding agreement with the Division of Facilities Construction and Management to purchase the existing Sandy Courthouse at an amount that will provide sale proceeds, net of any rent that may be charged to the courts for occupying the Sandy Courthouse during construction of the new courthouse, of not less than \$4,500,000, those proceeds may be used to include replacement space for the district court in the new courthouse.

(2)

- (a) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$1,242,000 for the construction of a driver license office in West Valley City, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
- (b) It is further the intent of the Legislature that fees for driver licenses be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (2).

Amended by Chapter 382, 2008 General Session

## **Part 3** **Capital Facility Authorizations**

### **63B-12-301 Other capital facilities authorizations.**

(1) It is the intent of the Legislature that:

- (a) Utah State University use institutional funds to plan, design, and construct an addition to the Laboratory Research Center under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(2) It is the intent of the Legislature that:

- (a) Utah State University use institutional funds to plan, design, and construct an addition to the Biology/Natural Resources Building under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(3) It is the intent of the Legislature that:

- (a) Snow College use grants and loans from the Community Impact Board together with other institutional funds to plan, design, and construct an addition to the Activities Center under

the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;

(b) no state funds be used for any portion of this project;

(c) before proceeding with the project, the Board of Regents and the Division of Facilities Construction and Management review and approve the scope and funding of the project; and

(d) the college may request state funds for operations and maintenance to the extent that the college is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(4)

(a) It is the intent of the Legislature that the Division of Facilities Construction and Management sell the state's interest in the Iron County Correction Facility to Iron County for \$2,000,000 according to the terms specified in this Subsection (4).

(b) Iron County will pay the state \$1,550,000 in cash.

(c) To pay the \$450,000 balance of the purchase price, Iron County will:

(i) provide office space for the Department of Corrections in the Iron County Correction Facility for 10 years at no cost to the state of Utah, at an estimated value of \$45,000 per year for a total 10-year value of \$450,000; and

(ii) contract with the Department of Corrections to house 15 state prisoners in the Iron County Correctional Facility for at least five years.

(d)

(i) The Department of Corrections shall select the 15 prisoners to house at the Iron County Correctional Facility from beds currently under contract in other counties.

(ii) Nothing in this section may be construed to authorize or require the Department of Corrections to increase the number of prisoners currently housed in county correctional facilities on state contract.

(e) If the Division of Adult Probation and Parole created in Section 64-14-202 chooses not to use the office space offered by Iron County, Iron County is not liable for, and need not pay, the state the value of that estimated rent.

Amended by Chapter 214, 2025 General Session

## **Chapter 13 2004 Bonding and Financing Authorizations**

### **Part 1 2004 General Obligation Bonds**

#### **63B-13-101 Capital facilities bonds -- Maximum amount -- Projects authorized.**

(1) The total amount of bonds issued under this section may not exceed \$87,400,000.

(2)

(a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).

(b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or

convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.

(c) For the division, proceeds shall be provided for the following:

CAPITAL DEVELOPMENT PROJECTS		
Project Description	Estimated Operations and Maintenance	Project Amount Funded
State Capitol Remodel	\$0	\$50,000,000
Weber State University - Swenson Building Remodel	\$75,400	\$5,569,000
Salt Lake Community College - Health Sciences Building (West Jordan)	\$762,000	\$21,000,000
Utah National Guard - North Salt Lake Readiness Center	\$42,500	\$2,719,000
College of Eastern Utah San Juan Library	\$127,200	\$2,400,000
<b>TOTAL CAPITAL DEVELOPMENT PROJECTS</b>	<b>\$86,488,000</b>	
<b>TOTAL GENERAL OBLIGATION BOND AUTHORIZATION FOR CAPITAL DEVELOPMENT PROJECTS</b>		<b>\$86,488,000</b>

(d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;
- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

(3)

- (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
- (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
- (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.

(4)

- (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
- (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.

- (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
- (d) The state intends to use proceeds of tax-exempt bonds to reimburse itself for expenditures for costs of the projects listed in Subsection (2)(c).

(5) It is the intent of the Legislature that:

- (a) the funding authorized for projects in Subsection (2) includes funds for public art, except for the following projects:
  - (i) state capitol remodel; and
  - (ii) Utah National Guard North Salt Lake Readiness Center;
- (b) no state funds may be expended for the National Guard North Salt Lake Readiness Center project until the United States Congress appropriates money for the project; and
- (c) the Bonding Commission may not issue bonds for the National Guard North Salt Lake Readiness Center project until the United States Congress appropriates money for the project.

Amended by Chapter 154, 2005 General Session

**63B-13-102 Highway bonds -- Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this part may not exceed \$50,000,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the Department of Transportation to provide funds to pay all or part of the costs of state highway construction or reconstruction projects.
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.
- (3) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (4) The Department of Transportation may enter into agreements related to projects before the receipt of proceeds of bonds issued under this chapter.

Enacted by Chapter 308, 2004 General Session

**Part 2**  
**2004 Revenue Bond Authorizations**

**63B-13-201 Revenue bond authorizations -- State Building Ownership Authority.**

(1)

- (a) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$8,205,000 for the acquisition and construction of five stores for the Department of Alcoholic Beverage Services, together with

additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

- (b) It is the intent of the Legislature that the stores to be addressed through this authorization are:
  - (i) a new Park City store;
  - (ii) replacement of the Mount Olympus store;
  - (iii) replacement of the Ogden City 2nd Street store;
  - (iv) replacement of the Ogden Patterson Street store; and
  - (v) expansion of the Provo store.
- (c) It is the intent of the Legislature that proceeds from the sale of stores replaced through this authorization shall be deposited in the General Fund.
- (d) It is further the intent of the Legislature that increased sales revenues be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (1).

- (2)
  - (a) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$8,914,000 for the acquisition and construction of a new regional office building in Ogden, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
  - (b) It is further the intent of the Legislature that existing rent budgets be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (2).
- (3)
  - (a) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$1,450,000 for the acquisition of the leased regional office building and adjacent land in Moab, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
  - (b) It is further the intent of the Legislature that existing rent budgets be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (3).
- (4)
  - (a) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$7,103,000 for the acquisition of the Tooele Courts building and adjacent land in Tooele City, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
  - (b) It is further the intent of the Legislature that court fees be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (4).

Amended by Chapter 447, 2022 General Session

**63B-13-202 Revenue Bond Authorizations -- Board of Regents.**

- (1) It is the intent of the Legislature that:

- (a) the Board of Regents may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the Board of Regents to borrow money on the credit, revenues, and reserves of the Higher Education Student Loan Program, to finance the cost of acquiring, furnishing, and equipping office space;
- (b) funds within the Board of Regents' budget that would otherwise be expended for rent be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (1);
- (c) the bonds or other evidences of indebtedness authorized by this Subsection (1) may provide up to \$3,600,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements; and
- (d) the Board of Regents may not request an increase, beyond that resulting from inflation, in state funds for operations and maintenance of the facility acquired under this authorization.

(2) It is the intent of the Legislature that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of Utah State University, other than appropriations of the Legislature, to finance the cost of acquiring, constructing, furnishing, and equipping a Student Living and Learning Community and a parking terrace;
- (b) student housing revenues, parking revenues, and other auxiliary revenues be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (2);
- (c) the bonds or other evidences of indebtedness authorized by this Subsection (2) may provide up to \$35,500,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements; and
- (d) the university may not request state funds for operations and maintenance.

(3) It is the intent of the Legislature that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of Utah State University, other than appropriations of the Legislature, to finance the cost of acquiring, constructing, furnishing, and equipping a renovation of Romney Stadium and expansion of the Nelson Fieldhouse, and to repay an internal debt for the purchase of the Student Wellness Center;
- (b) student fees be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (3);
- (c) the bonds or other evidences of indebtedness authorized by this Subsection (3) may provide up to \$10,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements; and
- (d) the university may not request state funds for operations and maintenance.

Enacted by Chapter 364, 2004 General Session

### **Part 3** **2004 Lease-Purchase Authorizations**

#### **63B-13-301 Lease-purchase authorizations.**

- (1) It is the intent of the Legislature that the Mountainland Applied Technology Campus of the Utah College of Applied Technology may use existing funds to enter into a lease-purchase agreement with Alpine School District for the acquisition of the Pacific Avenue Applied Technology Facility costing up to \$2,900,000.
- (2) It is further the intent of the Legislature that a lease may not be executed until the Division of Facilities Construction and Management has determined that the lease-purchase option is less costly to the state than the current lease.

Amended by Chapter 369, 2023 General Session

## **Part 4** **Capital Facility Construction Authorizations**

### **63B-13-401 Authorizations to construct capital facilities using institutional or agency funds.**

- (1) It is the intent of the Legislature that:
  - (a) the University of Utah may use federal grants, research funds, and other institutional funds to plan, design, and construct a Department of Chemistry Gauss Haus under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.
- (2) It is the intent of the Legislature that:
  - (a) the University of Utah use donations and other institutional funds to plan, design, and construct a College of Health Academic Facility under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.
- (3) It is the intent of the Legislature that:
  - (a) the University of Utah use donations and other institutional funds to plan, design, and construct a Geology and Geophysics Building and parking terrace under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.
- (4) It is the intent of the Legislature that:
  - (a) Utah State University use donations, federal grants, and other institutional funds to plan, design, and construct a Child Care Facility under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and

- (c) the university may not request state funds for operations and maintenance.
- (5) It is the intent of the Legislature that:
  - (a) Utah State University use donations and other institutional funds to plan, design, and construct a replacement Team Building at Romney Stadium under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may not request state funds for operations and maintenance.
- (6) It is the intent of the Legislature that Utah State University use up to \$200,000 of excess funds in its Contingency Reserve from state funded projects to increase the capacity of its chilled water plant.
- (7) It is the intent of the Legislature that:
  - (a) the Utah College of Applied Technology use donations to plan, design, and construct an Entrepreneurial Building at the Davis ATC campus under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the college may not request state funds for operations and maintenance.
- (8) It is the intent of the Legislature that:
  - (a) the Utah College of Applied Technology use donations, grants from the Community Impact Board, and existing reserves to plan, design, and construct a technology building at the Blanding campus of the Southeast ATC under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated; and
  - (b) the college may request state funds for operations and maintenance.
- (9)
  - (a) It is the intent of the Legislature that the Department of Workforce Services use up to \$2,801,000 from its Special Administrative Expense Fund to plan, design, and construct an Employment Center in Logan under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority is delegated.
  - (b) It is the intent of the Legislature that, if agreement is reached to acquire a site from Cache County or Logan City for the project, the Division of Facilities Construction and Management may sell or exchange the currently-owned Workforce Services property and apply the proceeds to the acquisition of the site and towards the cost of the project.
- (10) It is the intent of the Legislature that the Department of Natural Resources use up to \$250,000 of the existing balance in its Wildlife Resources Trust Account to purchase property in Price to be used for a future office complex for the Department of Natural Resources.
- (11) It is the intent of the Legislature that:
  - (a) the Utah National Guard use federal funds to plan, design, and construct a Total Army School System (TASS) Barracks at Camp Williams under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the National Guard may not request state funds for operations and maintenance.
- (12) It is the intent of the Legislature that:
  - (a) the Utah National Guard use federal funds to plan, design, and construct a Readiness Center at Camp Williams under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and

- (c) the National Guard may request state funds for operations and maintenance.
- (13) It is the intent of the Legislature that:
  - (a) the Department of Public Safety, the Department of Corrections, and Salt Lake Community College use donations, federal funds, and other non-appropriated funds to plan, design, and construct a Western Regional Public Safety Education and Training Center under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated or the construction of the project is otherwise exempt from the director's oversight;
  - (b) no state funds be used for any portion of this project other than planning and design;
  - (c) the Department of Public Safety and the Department of Corrections may request state funds for operations and maintenance; and
  - (d) the college may request state funds for operations and maintenance to the extent that the college is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

Enacted by Chapter 364, 2004 General Session

## **Chapter 14 2005 Financing Authorizations**

### **Part 2 2005 Revenue Bond Authorizations**

#### **63B-14-201 Revenue bond authorizations -- State Building Ownership Authority.**

- (1) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$7,867,000 for the acquisition and construction of three stores for the Department of Alcoholic Beverage Services, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
- (2) It is the intent of the Legislature that the stores to be addressed through this authorization are:
  - (a) a new wine store in the downtown Salt Lake City area;
  - (b) a new store in Washington County; and
  - (c) a new store in southwest Salt Lake County.
- (3) It is the intent of the Legislature that:
  - (a) increased sales revenues be used as the primary revenue source for repayment of any obligation created under authority of this subsection; and
  - (b) the Department of Alcoholic Beverage Services may request operation and maintenance funding from sales revenues.

Amended by Chapter 447, 2022 General Session

#### **63B-14-202 Revenue bond authorizations -- Board of Regents.**

- (1) It is the intent of the Legislature that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the University of Utah, other than appropriations of the Legislature, to finance the cost of acquiring, constructing, furnishing, and equipping a west wing, two levels to the Eccles Critical Care Pavilion, and parking expansion at the University Hospital;
- (b) hospital revenues be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (1);
- (c) the bonds or other evidences of indebtedness authorized by this Subsection (1) may provide up to \$90,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) funds from the University Hospital Foundation, hospital operations, and other institutional funds be used to fund the balance of the project costs;
- (e) the University of Utah may plan, design, and construct a west wing and parking expansion at the University Hospital under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated; and
- (f) the university may not request state funds for operations and maintenance.

(2) It is the intent of the Legislature that:

- (a) the Board of Regents, on behalf of Weber State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Weber State University to borrow money on the credit, revenues, and reserves of Weber State University, other than appropriations of the Legislature, to finance the cost of renovating the Shepherd Union Building;
- (b) student fees be used as the primary revenue source for repayment of any obligation created under authority of this Subsection (2);
- (c) the bonds or other evidences of indebtedness authorized by this Subsection (2) may provide up to \$20,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) Weber State University may plan, design, and renovate the Shepherd Union Building under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated; and
- (e) the university may not request state funds for operations and maintenance.

Amended by Chapter 169, 2006 General Session

### **Part 3** **2005 Lease-Purchase Authorizations**

#### **63B-14-301 Lease-purchase authorizations.**

It is the intent of the Legislature that the Mountainland Applied Technology Campus of the Utah College of Applied Technology may use existing funds to enter into a lease-purchase agreement for the development of an applied technology facility in Spanish Fork costing up to \$3,250,000.

Enacted by Chapter 180, 2005 General Session

## **Part 4**

### **Capital Facility Construction Authorizations**

#### **63B-14-401 Authorizations to construct capital facilities using institutional or agency funds.**

- (1) It is the intent of the Legislature that:
  - (a) the University of Utah use donations and other institutional funds to plan, design, and construct an addition to the Social Work Building under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.
- (2) It is the intent of the Legislature that:
  - (a) the University of Utah use donations and other institutional funds to plan, design, and construct the first phase of a College of Humanities Building under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.
- (3) It is the intent of the Legislature that:
  - (a) Snow College use donations and other institutional funds to plan, design, and construct improvements to its football stadium under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) the contractor may be required to provide for financing of construction costs, if necessary, to cover the timing of cash flow of committed donations;
  - (c) Snow College retain financial responsibility for all project costs through its commitment, if necessary, to raise student fees and seek future approval of a revenue bond;
  - (d) no state funds be used for any portion of this project; and
  - (e) the college may not request additional state funds for operations and maintenance.
- (4) It is the intent of the Legislature that:
  - (a) the Department of Corrections use donations and institutional funds provided by Snow College to plan, design, and construct an expansion of the education area at the Central Utah Correctional Facility under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the Department of Corrections may request state funds for operations and maintenance.
- (5) It is the intent of the Legislature that the Administrative Office of the Courts exercise its option to purchase the West Valley courthouse using equity accrued through its lease payments.
- (6) It is the intent of the Legislature that:
  - (a) the Department of Natural Resources, Division of Wildlife Resources, use up to \$938,000 from the General Fund Restricted -- Fish Hatchery Maintenance Account to plan, design, and construct a Fisheries Experiment Station Technical Services Building under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated; and

- (b) the Department of Natural Resources may not request state funds for operations and maintenance.
- (7) It is the intent of the Legislature that:
  - (a) the Utah National Guard use federal funds to plan, design, and construct a Readiness Center for the 85th Civil Support Team under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the Utah National Guard may request state funds for operations and maintenance.
- (8) It is the intent of the Legislature that:
  - (a) the Utah National Guard use federal funds to plan, design, and construct a Joint Forces Headquarters addition under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the Utah National Guard may request state funds for operations and maintenance.
- (9) It is the intent of the Legislature that:
  - (a) the Utah National Guard use federal funds to plan, design, and construct a 19th Special Forces Armory addition under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the Utah National Guard may request state funds for operations and maintenance.
- (10) It is the intent of the Legislature that:
  - (a) the Utah National Guard use federal funds to plan, design, and construct a Readiness Center for the 117th Utilities Detachment and the 120th Quartermaster Detachment under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
  - (b) no state funds be used for any portion of this project; and
  - (c) the Utah National Guard may request state funds for operations and maintenance.
- (11) It is the intent of the Legislature that the Division of Facilities Construction and Management negotiate and enter into an agreement with the city of St. George for the future exchange of the current courthouse property in St. George for a replacement court facility site, with the exchange of title occurring after funding is authorized by the Legislature for the construction of the replacement facility.

Enacted by Chapter 180, 2005 General Session

## **Chapter 15 2006 Financing Authorizations**

### **Part 1 2006 General Obligation Bonds**

#### **63B-15-101 Capital facilities bonds -- Utah Science Technology and Research Governing Authority -- Maximum amount -- Projects authorized.**

- (1)
  - (a) The total amount of bonds issued under this section may not exceed \$111,100,000.

(b) When Utah State University certifies to the commission that the university has obtained reliable commitments, convertible to cash, of \$10,000,000 or more in nonstate funds to construct the Bio Innovations Research Institute, and when the chairs of the Legislature's Executive Appropriations Committee have certified that the committee has heard a presentation by the chair of the bonding commission and the Utah Science Technology and Research Governing Authority on the project, the commission may issue and sell general obligation bonds in a total amount not to exceed \$40,400,000.

(c) When the University of Utah certifies to the commission that the university has obtained reliable commitments, convertible to cash, of \$30,000,000 or more in nonstate funds to construct the Neuroscience and Biomedical Technology Research Building, and when the chairs of the Legislature's Executive Appropriations Committee have certified that the committee has heard a presentation by the chair of the bonding commission and the Utah Science Technology and Research Governing Authority on the project, the commission may issue and sell general obligation bonds in a total amount not to exceed \$70,700,000.

(2)

(a) Proceeds from the issuance of bonds shall be provided to the Utah Science Technology and Research Governing Authority to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).

(b) These costs may include the cost of acquiring easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.

(c) For the Utah Science Technology and Research Governing Authority, proceeds shall be provided for the following:

CAPITAL DEVELOPMENT PROJECTS			
Project Description	Estimated Operations and Maintenance	Amount Funded	
Bio Innovations Research Institute -- Utah State University		\$0	\$40,000,000
Neuroscience and Biomedical Technology Research Building -- University of Utah		\$0	\$70,000,000
TOTAL CAPITAL DEVELOPMENT PROJECTS		\$110,000,000	
TOTAL GENERAL OBLIGATION BOND AUTHORIZATION FOR CAPITAL DEVELOPMENT PROJECTS		\$110,000,000	

(3)

(a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for the projects.

(b) The commission, by resolution and in consultation with the Utah Science Technology and Research Governing Authority, may delete the project if the inclusion of that project could be construed to violate state law or federal law or regulation.

(4) The Utah Science Technology and Research Governing Authority may enter into agreements related to the project before the receipt of proceeds of bonds issued under this chapter.

- (5) The commission or the state treasurer may make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.
- (6) The commission may not issue or execute bonds authorized by this section that have a maturity date or dates of more than 20 years after the date of delivery of the bonds.
- (7) The Utah Science Technology and Research Governing Authority shall contract with the Division of Facilities Construction and Management to oversee construction of the buildings.
- (8) The Utah Science Technology and Research Governing Authority may not delegate authority over construction of the capitol development projects identified in this section to any entity other than the Division of Facilities Construction and Management.

Amended by Chapter 357, 2015 General Session

## **Part 2** **2006 Revenue Bond Authorizations**

### **63B-15-201 Revenue bond authorizations -- State Building Ownership Authority.**

- (1) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$7,371,000 for the acquisition and construction of three stores for the Department of Alcoholic Beverage Services, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.
- (2) It is the intent of the Legislature that the stores to be addressed through this authorization are:
  - (a) a new store in the Holladay/Cottonwood area of Salt Lake County;
  - (b) expansion and remodel of the Kimball Junction store in Summit County; and
  - (c) expansion and remodel of the Redwood Road store in Salt Lake County.
- (3) It is the intent of the Legislature that:
  - (a) increased sales revenues be used as the primary revenue source for repayment of any obligation created under authority of this section; and
  - (b) the Department of Alcoholic Beverage Services may request operation and maintenance funding from sales revenues.

Amended by Chapter 447, 2022 General Session

### **63B-15-202 Revenue bond authorizations -- Board of Regents.**

It is the intent of the Legislature that:

- (1) the Board of Regents, on behalf of Dixie State College, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Dixie State College to borrow money on the credit, revenues, and reserves of Dixie State College, other than appropriations of the Legislature, to finance the cost of acquiring the Abby Apartment complex;
- (2) housing rental fees be used as the primary revenue source for repayment of any obligation created under authority of this section;
- (3) the bonds or other evidences of indebtedness authorized by this section may provide up to \$1,275,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements; and

(4) the college may not request state funds for operations and maintenance.

Enacted by Chapter 169, 2006 General Session

### **Part 3** **Capital Facility Constructors Authorizations**

#### **63B-15-301 Authorizations to construct capital facilities using institutional or agency funds.**

(1) It is the intent of the Legislature that:

- (a) the University of Utah may use donations and other institutional funds to plan, design, and construct an addition to and remodel of the David Eccles School of Business facilities under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(2) It is the intent of the Legislature that:

- (a) Snow College may use donations and other institutional funds to plan, design, and construct a Traditional Building Skills Institute facility under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the college may request state funds for operations and maintenance to the extent that the college is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(3) It is the intent of the Legislature that:

- (a) the Utah National Guard may use federal funds to plan, design, and construct Building #4 for the Joint Logistics Training Center under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;
- (b) no state funds be used for any portion of this project; and
- (c) the National Guard may not request state funds for operations and maintenance.

Enacted by Chapter 169, 2006 General Session

### **Chapter 16** **2007 Bonding and Financing Authorizations**

#### **Part 1** **2007 General Obligation Bond Authorizations**

#### **63B-16-101 Highway bonds -- Maximum amount -- Use of proceeds for highway projects.**

(1)

- (a) The total amount of bonds issued under this section may not exceed \$1,145,000,000.

- (b) When the Department of Transportation certifies to the commission that the requirements of Subsection 72-2-125(4)(e) have been met and certifies the amount of bond proceeds that it needs to provide funding for projects on the project list for the next fiscal year, the commission may issue and sell general obligation bonds in an amount equal to the certified amount plus costs of issuance.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the Department of Transportation to pay all or part of the costs of state highway construction or reconstruction projects that are included in the project list established and prioritized in accordance with Subsection 72-2-125(4).
  - (b) The costs under Subsection (2)(a) may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.
- (3) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (4) The Department of Transportation may enter into agreements related to projects before the receipt of proceeds of bonds issued under this chapter.

Amended by Chapter 389, 2013 General Session

**63B-16-102 Highway bonds -- Maximum amount -- Projects authorized.**

- (1)
  - (a) The total amount of bonds issued under this section may not exceed \$100,000,000.
  - (b) When the Department of Transportation certifies to the commission the amount of bond proceeds that it needs to provide funding for the highway construction project described in Subsection (2) for the next fiscal year, the commission may issue and sell general obligation bonds in an amount equal to the certified amount plus costs of issuance.
- (2)
  - (a) As used in this Subsection (2), "Mountain View Corridor" means the land area of Salt Lake County running from Interstate 80 south between SR-154 and SR-111 to 12600 South and then south and southeasterly to the northern portion of Utah County west of SR-15.
  - (b) Except as provided in Subsection (3), proceeds from the issuance of bonds shall be provided to the Department of Transportation to pay for the costs of acquiring rights-of-way and constructing a highway construction project within the Mountain View Corridor.
  - (c) The Department of Transportation shall use bond proceeds to pay for the portion of the highway construction project described in this Subsection (2) that is located in Salt Lake County.
  - (d) The costs under this Subsection (2) may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.

(3)

- (a) Thirty million dollars of the bond proceeds issued under this section shall be provided to the Department of Transportation and funds under Subsection 72-2-121(4) shall be used by the Department of Transportation to pay for or to provide funds to a municipality or county to pay for the costs of right-of-way acquisition, construction, reconstruction, renovations, or improvements to highways described in Subsection (3)(b).
- (b) Bond proceeds described under Subsection (3)(a) and funds under Subsection 72-2-121(4) shall be used to pay the amounts described in this Subsection (3)(b) for the following highways in Salt Lake County:
  - (i) \$6,500,000 to Taylorsville City for:
    - (A) 6200 South and Redwood Road intersection, interchange, and highway improvements; and
    - (B) an environmental study and preliminary engineering at 5400 South and Interstate 215;
  - (ii) \$2,000,000 to West Valley City for 7200 West;
  - (iii) \$4,000,000 to West Jordan City for 7800 South and Airport Road intersection and highway improvements;
  - (iv) \$6,250,000 to Sandy City for 1300 East, 9000 South to 11400 South, and State Street to Interstate 15;
  - (v) \$1,500,000 to Riverton City for right-of-way acquisition between Mountain View Corridor and Bangerter Highway north of 13400 South;
  - (vi) \$3,500,000 for highway, access, and other improvements for the new commuter rail station in the south end of Salt Lake County;
  - (vii) \$11,000,000 to Draper City for the costs of highway improvements in the Salt Lake County portion of Draper City;
  - (viii) \$1,000,000 to Murray City for highway improvements between Cottonwood Street and 4500 South;
  - (ix) \$1,000,000 to Cottonwood Heights for Fort Union Boulevard between 1300 East and Highland Drive;
  - (x) \$1,000,000 to Midvale City for State Street between 7200 South and 9000 South; and
  - (xi) \$250,000 to Salt Lake County for 2300 East.
- (c) Prior to a municipality or county receiving funds described in this Subsection (3), the municipality or county shall sign and file a written certification with the department certifying that it will use the funds provided under this Subsection (3) solely for the projects described in Subsection (3)(b).

(4) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.

(5) The Department of Transportation may enter into agreements related to the project before the receipt of proceeds of bonds issued under this chapter.

Amended by Chapter 389, 2013 General Session

## Part 2

### 2007 Revenue Bond Authorizations

#### **63B-16-201 Revenue bond authorizations -- State Building Ownership Authority.**

(1) It is the intent of the Legislature that:

- (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$5,662,000 for the acquisition and construction of three stores for the Department of Alcoholic Beverage Services, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (b) the stores to be addressed through this authorization are:
  - (i) expansion of the North Temple store in Salt Lake County;
  - (ii) expansion of the Taylorsville store in Salt Lake County; and
  - (iii) reconstruction of the Bountiful store in Davis County;
- (c) increased sales revenues be used as the primary revenue source for repayment of any obligation created under authority of this section; and
- (d) the Department of Alcoholic Beverage Services may request operation and maintenance funding from sales revenues.

(2) It is the intent of the Legislature that:

- (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$1,476,000 for the acquisition and construction of a production warehouse for Utah Correctional Industries, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (b) Utah Correctional Industries' revenues be used as the primary revenue source for repayment of any obligation created under authority of this section;
- (c) Utah Correctional Industries may plan, design, and construct the production warehouse subject to requirements in Section 63A-5b-604; and
- (d) Utah Correctional Industries may not request state funds for operation and maintenance costs or capital improvements.

Amended by Chapter 447, 2022 General Session

**63B-16-202 Revenue bond authorizations -- Board of Regents.**

(1) It is the intent of the Legislature that:

- (a) when the University of Utah certifies to the Board of Regents that the university has obtained reliable commitments, convertible to cash, of \$10,000,000 or more in nonstate funds to construct an on-campus student life center, the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the University of Utah, other than appropriations from the Legislature, to finance the cost of constructing an on-campus student life center;
- (b) student recreation fees and non-student fees be used as the primary revenue source for repayment of any obligation created under authority of this section;
- (c) the University of Utah may increase student recreation fees to not more than \$60 per semester for not more than 20 years, and use those revenues, together with the \$15,000,000 collected under Subsection (1)(a), to service the student life center revenue bond debt;
- (d) the bonds or other evidences of indebtedness authorized by this section may provide up to \$42,500,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;

- (e) the University of Utah may plan, design, and construct the on-campus student life center subject to requirements in Section 63A-5b-604; and
- (f) the university may not request state funds for operation and maintenance costs or capital improvements.

(2) It is the intent of the Legislature that:

- (a) the Board of Regents, on behalf of Southern Utah University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Southern Utah University to borrow money on the credit, revenues, and reserves of Southern Utah University, other than appropriations of the Legislature, to finance the cost of constructing on-campus student dormitories;
- (b) student housing rental fees be used as the primary revenue source for repayment of any obligation created under authority of this section;
- (c) the bonds or other evidences of indebtedness authorized by this section may provide up to \$17,500,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) Southern Utah University may plan, design, and construct the on-campus student dormitories subject to requirements in Section 63A-5b-604; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

Amended by Chapter 152, 2020 General Session

### **Part 3** **2007 Capital Facility Construction Authorizations**

#### **63B-16-301 Authorizations to construct capital facilities using institutional or agency funds.**

(1) It is the intent of the Legislature that:

- (a) Utah State University may, subject to requirements in Section 63A-5b-604, plan, design, and construct a classroom building funded and owned by Tooele County on the university's Tooele campus;
- (b) no state funds be used for any portion of this project, including for future purchase or otherwise acquiring the building from Tooele County;
- (c) the university may not request state funds for operation and maintenance costs or capital improvements while the building is not owned by the university; and
- (d) the university may request state funds for operations and maintenance costs and capital improvements if the building is donated to the university and if the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(2) It is the intent of the Legislature that:

- (a) Weber State University may, subject to requirements in Section 63A-5b-604, use donations and other institutional funds to plan, design, and construct a Lifelong Learning Center;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operations and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(3) It is the intent of the Legislature that:

- (a) Salt Lake Community College may, subject to requirements in Section 63A-5b-604, use institutional funds to plan, design, and construct a Facilities/Security/Parking Services Building;
- (b) no state funds be used for any portion of this project; and
- (c) the college may request state funds for operations and maintenance costs and capital improvements to the extent that the college is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

Amended by Chapter 152, 2020 General Session

## Part 4

### 2007 Property Acquisition, Sale, Lease, and Exchange Authorizations

#### 63B-16-401 Authorizations to acquire, sell, lease, or exchange property.

(1) It is the intent of the Legislature that:

- (a) the Southeast Applied Technology Campus of the Utah College of Applied Technology and Utah State University Eastern may cooperatively enter into negotiations with a nonstate entity and complete a real property exchange to acquire an applied technology facility in Price;
- (b) no state funds be used for any portion of this project; and
- (c) the college may request state funds for operations and maintenance costs and capital improvements to the extent that the college is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(2) It is the intent of the Legislature that:

- (a) the Mountainland Applied Technology Campus of the Utah College of Applied Technology may exercise its option to purchase additional property in northern Utah County adjacent to property purchased with the appropriation in Chapter 367, Item 41, Laws of Utah 2006;
- (b) the purchase be financed through donations, institutional funds, a land exchange involving Lehi City and the Utah Transit Authority, or some combination of donations, institutional funds, and a land exchange involving Lehi City and the Utah Transit Authority for future development of a commuter rail station;
- (c) the purchase be conducted under the direction of the director of the Division of Facilities Construction and Management; and
- (d) no state funds be used for any portion of this purchase.

(3) It is the intent of the Legislature that:

- (a) the Department of Human Services Complex located at 120 North 200 West, Salt Lake City, Utah be sold for \$11,000,000;
- (b) that the proceeds from the sale be used to:
  - (i) payoff the outstanding bond on the Human Services Complex;
  - (ii) purchase the Brigham Young University Salt Lake Center located at 3760 South Highland Drive, Salt Lake City, Utah for up to \$6,000,000 for occupancy by the Utah State Board of Education Schools for the Deaf and Blind; and
  - (iii) the remaining funds be used to remodel the Salt Lake Center; and

(c) the Division of Facilities Construction and Management enter into a lease with the buyer of the Human Services Complex for and on behalf of the Department of Health and Human Services that allows the Department of Health and Human Services to continue to occupy the complex for the period of time needed for the state to purchase, construct, or lease a replacement facility for the Department of Health and Human Services.

Amended by Chapter 329, 2023 General Session

## **Chapter 17** **2008 Bonding and Financing Authorizations**

### **Part 1** **2008 General Obligation Bond Authorizations**

#### **63B-17-101 Capital facilities bonds -- Maximum amount -- Projects authorized.**

(1) The total amount of bonds issued under this section may not exceed \$43,111,000 for acquisition and construction proceeds, plus additional amounts necessary to pay costs of issuance, to pay capitalized interest, and to fund any debt service reserve requirements, with the total amount of the bonds not to exceed \$43,542,100.

(2)

- (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).
- (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.
- (c) For the division, proceeds shall be provided for the following:

#### **CAPITAL DEVELOPMENT PROJECTS**

Project Description	Estimated Operations and Maintenance	Project Amount Funded
USU Agricultural Science Classroom Building	\$493,400	\$43,111,000
<b>TOTAL CAPITAL DEVELOPMENT PROJECTS</b>		<b>\$43,111,000</b>
<b>ADDITIONAL AUTHORIZED AMOUNTS</b>	<b>\$431,100</b>	
<b>TOTAL GENERAL OBLIGATION BOND AUTHORIZATION FOR CAPITAL DEVELOPMENT PROJECTS</b>		<b>\$43,542,100</b>

(d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;
- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and

- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.
- (3)
  - (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
  - (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
  - (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.
- (4)
  - (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
  - (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
  - (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
  - (d) The state intends to use proceeds of tax-exempt bonds to reimburse itself for expenditures for costs of the projects listed in Subsection (2)(c).
- (5) It is the intent of the Legislature that the funding authorized for projects in Subsection (2) does not include funds for public art.

Amended by Chapter 181, 2010 General Session

## **Part 2** **2008 Revenue Bond Authorizations**

### **63B-17-201 Revenue bond authorizations -- State Building Ownership Authority.**

- (1) The Legislature intends that:
  - (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$90,000,000 for the acquisition and construction of phase II-B of a cancer clinical research hospital facility adjacent to the University of Utah Medical Center, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (b) the University of Utah use institutional funds as the primary revenue source for repayment of any obligation created under authority of this section;
  - (c) the university may plan, design, and construct phase II-B of a cancer clinical research hospital facility subject to the requirements of Section 63A-5b-604; and
  - (d) the university may not request state funds for operation and maintenance costs or capital improvements.
- (2) The Legislature intends that:
  - (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created,

to provide up to \$23,700,000 for the acquisition and construction of five stores for the Department of Alcoholic Beverage Services, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;

- (b) the stores to be addressed through this authorization are:
  - (i) the replacement of a liquor store in Cedar City;
  - (ii) a new Utah County North liquor store;
  - (iii) a new Utah County South liquor store;
  - (iv) a new Washington County South liquor store; and
  - (v) a new Wasatch County Heber/Midway liquor store;
- (c) the Department of Alcoholic Beverage Services use increased sales revenues as the primary revenue source for repayment of any obligation created under authority of this section; and
- (d) the Department of Alcoholic Beverage Services may request operation and maintenance funding from sales revenues.

Amended by Chapter 447, 2022 General Session

### **63B-17-202 Revenue bond authorizations -- Board of Regents.**

- (1) The Legislature intends that:
  - (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing a northwest campus parking structure;
  - (b) the University of Utah use parking fees and donations as the primary revenue source for repayment of any obligation created under authority of this section;
  - (c) the maximum amount of revenue bonds or other evidences of indebtedness authorized by this section is \$21,280,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (d) the university may plan, design, and construct the northwest campus parking structure subject to the requirements of Section 63A-5b-604; and
  - (e) the university may not request state funds for operation and maintenance costs or capital improvements.
- (2) The Legislature intends that:
  - (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing an early childhood education research center;
  - (b) Utah State University use institutional funds as the primary revenue source for repayment of any obligation created under authority of this section;
  - (c) the maximum amount of revenue bonds or other evidences of indebtedness authorized by this section is \$15,828,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (d) the university may plan, design, and construct the early childhood education research center subject to the requirements of Section 63A-5b-604; and
  - (e) the university may request state funds for operation and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(3) It is the intent of the Legislature that:

- (a) the Board of Regents, on behalf of Southern Utah University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Southern Utah University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing a Shakespearean theater;
- (b) Southern Utah University institutional funds be used as the primary revenue source for repayment of any obligation created under authority of this section;
- (c) the bonds or other evidences of indebtedness authorized by this section may provide up to \$5,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the theater subject to the requirements of Section 63A-5b-604; and
- (e) the university may request state funds for operation and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

Amended by Chapter 152, 2020 General Session

### **Part 3**

### **2008 Capital Facility Construction and Capital Facility Accounting Authorizations**

#### **63B-17-301 Authorizations to construct capital facilities using institutional or agency funds.**

(1) The Legislature intends that:

- (a) the University of Utah may, subject to requirements in Section 63A-5b-604, use clinical fees and donations to plan, design, and construct a neuropsychiatric institute expansion;
- (b) no state funds be used for any portion of this project; and
- (c) the university may not request state funds for operation and maintenance costs or capital improvements.

(2) The Legislature intends that:

- (a) the University of Utah may, subject to the requirements of Section 63A-5b-604, use donations to plan, design, and construct an arboretum visitor center addition;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operation and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(3) The Legislature intends that:

- (a) Utah State University may, subject to the requirements of Section 63A-5b-604, use donations to plan, design, and construct a business building addition;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operation and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(4) The Legislature intends that:

- (a) Utah State University may, subject to the requirements of Section 63A-5b-604, use donations to plan, design, and construct a Vernal entrepreneurship and energy research center;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operation and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(5) The Legislature intends that:

- (a) Utah State University may, subject to the requirements of Section 63A-5b-604, use research grants and other institutional funds to plan, design, and construct a hydraulics laboratory addition to the water laboratory;
- (b) no state funds be used for any portion of this project; and
- (c) the university may not request state funds for operation and maintenance costs or capital improvements.

(6) The Legislature intends that:

- (a) Utah State University may, subject to the requirements of Section 63A-5b-604, use insurance claim funds and other institutional funds to plan, design, and construct a structures laboratory enclosure;
- (b) no state funds be used for any portion of this project; and
- (c) the university may not request state funds for operation and maintenance costs or capital improvements.

(7) The Legislature intends that:

- (a) Utah Valley University may, subject to the requirements of Section 63A-5b-604, use donations to plan, design, and construct a children's theater;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operation and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(8) The Legislature intends that:

- (a) Southern Utah University may, subject to the requirements of Section 63A-5b-604, use donations to plan and design a science center addition;
- (b) this authorization and the existence of plans and designs do not guarantee nor improve the chances for legislative approval of the remainder of the building in any subsequent year; and
- (c) no state funds be used for any portion of this planning and design.

Amended by Chapter 152, 2020 General Session

**63B-17-302 Capital facility accounting authorizations.**

The Legislature intends that Utah State University transfer \$225,000 from its Capital Contingency Reserve Fund for State Funded Projects into its Capital Project Reserve Fund.

Enacted by Chapter 128, 2008 General Session

**Part 4**  
**2008 Property Acquisition Authorizations**

**63B-17-401 Authorizations to acquire or exchange property.**

The Legislature intends that:

- (1) the Division of Facilities Construction and Management, acting on behalf of the Department of Natural Resources, may enter into a lease purchase agreement with Uintah County to provide needed space for agency programs in the area;
- (2) the agreement shall involve a trade at fair market value between the Division of Facilities Construction and Management and Uintah County of the following two properties:
  - (a) that portion of the current Uintah County complex that is owned by the state, located at 147 East Main Street, Vernal, Utah, which currently houses the Department of Natural Resources and other state agencies; and
  - (b) a parcel of land owned by Uintah County, located at approximately 318 North Vernal Avenue, Vernal, Utah, which would become the location of the needed space under the lease purchase agreement;
- (3) before entering into an agreement with Uintah County, the Division of Facilities Construction and Management shall ensure that all other state agencies in the Uintah County complex stay in their current location or receive adequate replacement space, with the terms of any replacement space acceptable to each state agency;
- (4) before entering into an agreement with Uintah County, the Department of Natural Resources shall obtain the approval of the Division of Facilities Construction and Management; and
- (5) the Division of Facilities Construction and Management may approve the agreement only if the Department of Natural Resources demonstrates that the lease purchase will be a benefit to the state.

Amended by Chapter 369, 2023 General Session

**Chapter 18  
2009 Bonding and Financing Authorizations**

**Part 1  
2009 General Obligation Bond Authorizations**

**63B-18-101 Capital facilities bonds -- Maximum amount -- Projects authorized.**

- (1) The total amount of bonds issued under this section may not exceed \$32,320,000.
- (2)
  - (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).
  - (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.
  - (c) For the division, proceeds shall be provided for the following:

CAPITAL DEVELOPMENT PROJECTS			
Project Description	Estimated Operations and Maintenance	Project Operations and Maintenance	Amount and Funded
Multi-agency Government Office Building		\$44,150	000,000
Snow College Library		\$45,120	000,000
TOTAL CAPITAL DEVELOPMENT PROJECTS		\$32,000,000	
TOTAL GENERAL OBLIGATION BOND AUTHORIZATION FOR CAPITAL DEVELOPMENT PROJECTS		\$32,000,000	

(d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;
- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

(3)

- (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
- (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
- (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.

(4)

- (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
- (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
- (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
- (d) The state intends to use proceeds of tax-exempt bonds to reimburse itself for expenditures for costs of the projects listed in Subsection (2)(c).

(5) It is the intent of the Legislature that the funding authorized for projects in Subsection (2) does not include funds for public art.

Enacted by Chapter 16, 2009 General Session

**63B-18-102 Additional capital facilities bonds -- Maximum amount -- Projects authorized.**

(1) The total amount of bonds issued under this section may not exceed \$116,117,680.

(2)

(a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).

(b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.

(c) For the division, proceeds shall be provided for the following:

CAPITAL DEVELOPMENT PROJECTS		
Project Description	Estimated Operations and Maintenance	Project Amount Funded
Purchase and renovation of School for Deaf and Blind	\$0	\$6,500,000
SLCC Digital Design/Communication Technology Center	\$141,400	\$21,305,000
MATC North Utah County Campus Building	\$513,800	\$18,800,000
Replacement and expansion of U of U School of Business	\$1,055,000	\$20,900,000
OWATC Health Technology Building	\$445,300	\$21,812,000
Upgrades and repairs to Armories	\$0	\$4,000,000
SUU Gibson Science Center	\$324,400	\$13,851,000
Dixie State College Centennial Commons Building -- Design	--	\$3,000,000
UVU Science/Health Science Building Addition -- Design	--	\$2,800,000
<b>TOTAL CAPITAL DEVELOPMENT PROJECTS</b>		<b>\$114,968,000</b>

<b>TOTAL GENERAL OBLIGATION BOND AUTHORIZATION FOR CAPITAL DEVELOPMENT PROJECTS</b>	<b>\$114,968,000</b>
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(d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;
- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

(3)

- (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
- (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
- (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.

(4)

- (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
- (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
- (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
- (d) The state intends to use proceeds of tax-exempt bonds to reimburse itself for expenditures for costs of the projects listed in Subsection (2)(c).

(5) It is the intent of the Legislature that the funding authorized for projects in Subsection (2) does not include funds for public art.

Enacted by Chapter 150, 2009 General Session

## **Part 2** **2009 Revenue Bond Authorizations**

### **63B-18-201 Revenue bond authorizations -- State Building Ownership Authority.**

(1) The Legislature intends that:

- (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$3,800,000 for the acquisition of property in the Salt Lake City, Utah area on which to construct a Department of Alcoholic Beverage Services warehouse expansion, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements; and
- (b) the Department of Alcoholic Beverage Services use increased sales revenues as the primary revenue source for repayment of any obligation created under authority of this section.

(2) The Legislature intends that:

- (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$19,904,000 for the construction of a warehouse expansion for the Department of Alcoholic Beverage Services, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (b) the Department of Alcoholic Beverage Services use increased sales revenues as the primary revenue source for repayment of any obligation created under authority of this section; and
- (c) the Department of Alcoholic Beverage Services may request operation and maintenance funding from sales revenues.

Amended by Chapter 447, 2022 General Session

**63B-18-202 Revenue bond authorizations -- Board of Regents.**

(1) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing a south campus housing project;
- (b) the University of Utah use student housing rental fees and parking fees as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$48,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the south campus housing project subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(2) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing an infrastructure development at the university "green field" site;
- (b) the University of Utah use research overhead funds and infrastructure fees on new construction projects supported by this infrastructure development as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$44,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the infrastructure development at the university "green field" site subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(3) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing an expansion of the University Neuropsychiatric Institute subject to the requirements of Subsection 63B-17-301(1);
- (b) the University of Utah use institutional funds as the primary revenue source for repayment of any obligation created under authority of this section; and
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$45,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(4) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing a Vernal entrepreneurship and energy research center subject to the requirements of Subsection 63B-17-301(4);
- (b) Utah State University use institutional funds as the primary revenue source for repayment of any obligation created under authority of this section; and
- (c) the maximum amount of revenue bonds or other evidences of indebtedness authorized by this section is \$3,800,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

Enacted by Chapter 134, 2009 General Session

### **Part 3** **2009 Capital Facilities and Property Authorizations**

#### **63B-18-301 Authorizations to design and construct capital facilities using institutional or agency funds.**

- (1) The Legislature intends that:
  - (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use institutional funds to plan and design an ambulatory care complex;
  - (b) this authorization and the existence of plans and designs do not guarantee nor improve the chances for legislative approval of the remainder of the building in any subsequent year; and
  - (c) no state funds be used for any portion of this planning and design.
- (2) The Legislature intends that:
  - (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$64,445,000 in donations to plan, design, and construct a replacement and expansion of the Eccles School of Business Building, with 135,000 new square feet;
  - (b) no state funds be used for any portion of this project unless expressly appropriated for this purpose or approved in a general obligation bond bill; and
  - (c) the university may request state funds for operation and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.
- (3) The Legislature intends that:

- (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$8,689,000 in donations to plan, design, and construct a renovation of the Kennecott Building, with 19,400 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operation and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(4) The Legislature intends that:

- (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$30,737,000 in donations to plan, design, and construct a Sorenson Arts and Education Complex, with 85,400 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operation and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(5) The Legislature intends that:

- (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$4,477,500 in donations to plan, design, and construct a Meldrum Civil Engineering Building, with 11,800 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operation and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(6) The Legislature intends that:

- (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, negotiate with a private developer to develop the Universe Project on land west of the university football stadium;
- (b) before entering into a contract with the developer, the university shall:
  - (i) present the final contract terms to the Legislature's Executive Appropriations Committee;
  - (ii) obtain the approval of the Division of Facilities Construction and Management; and
  - (iii) the Division of Facilities Construction and Management may approve the agreement only if the university demonstrates that the contract terms will be a benefit to the state;
- (c) no state funds be used for any portion of this project; and
- (d) the university may request state funds for operation and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(7) The Legislature intends that:

- (a) Utah Valley University may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$2,650,000 in grants and institutional funds to plan, design, and construct a Business Resource Center, with 12,000 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operation and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents

that the facility meets approved academic and training purposes under Board of Regents policy R710.

(8) The Legislature intends that:

- (a) Utah Valley University may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$1,200,000 in donations and institutional funds to plan, design, and construct a track and field facility;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operation and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(9) The Legislature intends that:

- (a) Utah Valley University may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$600,000 in institutional funds to plan, design, and construct intramural playing fields;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operation and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(10) The Legislature intends that:

- (a) Southern Utah University may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$2,000,000 in donations to plan, design, and construct a baseball and soccer complex upgrade;
- (b) no state funds be used for any portion of this project; and
- (c) the university may not request state funds for operation and maintenance costs or capital improvements.

(11) The Legislature intends that:

- (a) the Department of Natural Resources may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$3,000,000 in federal grants to plan, design, and construct an interagency fire dispatch center, with 10,000 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the department may not request state funds for operation and maintenance costs or capital improvements.

(12) The Legislature intends that:

- (a) the Department of Natural Resources may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$7,500,000 in federal grants to plan, design, and construct a curation facility in Vernal, with 21,000 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the department may not request state funds for operation and maintenance costs or capital improvements.

(13) The Legislature intends that:

- (a) the Department of Natural Resources may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$650,000 in federal grants to plan, design, and construct an expansion to the seed warehouse at the Great Basin Research Center, with 9,000 new square feet;
- (b) no state funds be used for any portion of this project unless expressly appropriated for this purpose; and

(c) the department may not request state funds for operation and maintenance costs or capital improvements.

(14) The Legislature intends that:

- (a) the Department of Veterans and Military Affairs may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$3,500,000 in federal grants to plan, design, and construct improvements at the Veterans Cemetery, with 15,000 new square feet;
- (b) no state funds be used for any portion of this project unless expressly appropriated for this purpose; and
- (c) the department may not request state funds for operation and maintenance costs or capital improvements.

Amended by Chapter 369, 2023 General Session

**63B-18-302 Authorizations to dispose of property.**

The Legislature intends that:

- (1) the Department of Workforce Services may, in coordination with the Division of Facilities Construction and Management, sell a Temporary Placement Office in Salt Lake City, Utah, and three vacated buildings in Logan, Utah; and
- (2) sales be at fair market value.

Amended by Chapter 301, 2016 General Session

**Part 4**  
**2009 Highway General Obligation Bonds**

**63B-18-401 Highway bonds -- Maximum amount -- Use of proceeds for highway projects.**

- (1) (a) The total amount of bonds issued under this section may not exceed \$2,077,000,000.  
(b) When the Department of Transportation certifies to the commission that the requirements of Subsection 72-2-124(7) have been met and certifies the amount of bond proceeds that it needs to provide funding for the projects described in Subsection (2) for the next fiscal year, the commission may issue and sell general obligation bonds in an amount equal to the certified amount plus costs of issuance.
- (2) Except as provided in Subsections (3) and (4), proceeds from the issuance of bonds shall be provided to the Department of Transportation to pay all or part of the costs of the following state highway construction or reconstruction projects:
  - (a) Interstate 15 reconstruction in Utah County;
  - (b) the Mountain View Corridor;
  - (c) the Southern Parkway; and
  - (d) state and federal highways prioritized by the Transportation Commission through:
    - (i) the prioritization process for new transportation capacity projects adopted under Section 72-1-304; or
    - (ii) the state highway construction program.
- (3) (a) Except as provided in Subsection (5), the bond proceeds issued under this section shall be provided to the Department of Transportation.

(b) The Department of Transportation shall use bond proceeds and the funds provided to it under Section 72-2-124 to pay for the costs of right-of-way acquisition, construction, reconstruction, renovations, or improvements to the following highways:

- (i) \$35 million to add highway capacity on I-15 south of the Spanish Fork Main Street interchange to Payson;
- (ii) \$28 million for improvements to Riverdale Road in Ogden;
- (iii) \$1 million for intersection improvements on S.R. 36 at South Mountain Road;
- (iv) \$2 million for capacity enhancements on S.R. 248 between Sidewinder Drive and Richardson Flat Road;
- (v) \$12 million for Vineyard Connector from 800 North Geneva Road to Lake Shore Road;
- (vi) \$7 million for 2600 South interchange modifications in Woods Cross;
- (vii) \$9 million for reconfiguring the 1100 South interchange on I-15 in Box Elder County;
- (viii) \$18 million for the Provo west-side connector;
- (ix) \$8 million for interchange modifications on I-15 in the Layton area;
- (x) \$3,000,000 for an energy corridor study and environmental review for improvements in the Uintah Basin;
- (xi) \$2,000,000 for highway improvements to Harrison Boulevard in Ogden City;
- (xii) \$2,500,000 to be provided to Tooele City for roads around the Utah State University campus to create improved access to an institution of higher education;
- (xiii) \$3,000,000 to be provided to the Utah Office of Tourism within the Governor's Office of Economic Opportunity for transportation infrastructure improvements associated with annual tourism events that have:
  - (A) a significant economic development impact within the state; and
  - (B) significant needs for congestion mitigation;
- (xiv) \$4,500,000 to be provided to the Governor's Office of Economic Opportunity for transportation infrastructure acquisitions and improvements that have a significant economic development impact within the state;
- (xv) \$125,000,000 to pay all or part of the costs of state and federal highway construction or reconstruction projects prioritized by the Transportation Commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304;
- (xvi) \$10,000,000 for the Transportation Fund to pay all or part of the costs of state and federal highway construction or reconstruction projects as prioritized by the Transportation Commission;
- (xvii) \$13,000,000 for corridor preservation and land acquisition for a transit hub at the mouth of Big Cottonwood Canyon;
- (xviii) \$10,000,000 to be provided to the Governor's Office of Economic Opportunity for transportation infrastructure and right-of-way acquisitions in a project area created by the military installation development authority created in Section 63H-1-201;
- (xix) \$28,000,000 for right-of-way or land acquisition, design, engineering, and construction of infrastructure related to the Inland Port Authority created in Section 11-58-201;
- (xx) \$6,000,000 for right-of-way acquisition, design, engineering, and construction related to Shepard Lane in Davis County; and
- (xxi) \$4,000,000 for right-of-way acquisition, design, engineering, and construction costs related to 1600 North in Orem City.

(4)

- (a) The Department of Transportation shall use bond proceeds and the funds under Section 72-2-121 to pay for, or to provide funds to, a municipality, county, or political subdivision to

pay for the costs of right-of-way acquisition, construction, reconstruction, renovations, or improvements to the following highway or transit projects in Salt Lake County:

- (i) \$4,000,000 to Taylorsville City for bus rapid transit planning on 4700 South;
- (ii) \$4,200,000 to Taylorsville City for highway improvements on or surrounding 6200 South and pedestrian crossings and system connections;
- (iii) \$2,250,000 to Herriman City for highway improvements to the Salt Lake Community College Road;
- (iv) \$5,300,000 to West Jordan City for highway improvements on 5600 West from 6200 South to 8600 South;
- (v) \$4,000,000 to West Jordan City for highway improvements to 7800 South from 1300 West to S.R. 111;
- (vi) \$7,300,000 to Sandy City for highway improvements on Monroe Street;
- (vii) \$3,000,000 to Draper City for highway improvements to 13490 South from 200 West to 700 West;
- (viii) \$5,000,000 to Draper City for highway improvements to Suncrest Road;
- (ix) \$1,200,000 to Murray City for highway improvements to 5900 South from State Street to 900 East;
- (x) \$1,800,000 to Murray City for highway improvements to 1300 East;
- (xi) \$3,000,000 to South Salt Lake City for intersection improvements on West Temple, Main Street, and State Street;
- (xii) \$2,000,000 to Salt Lake County for highway improvements to 5400 South from 5600 West to Mountain View Corridor;
- (xiii) \$3,000,000 to West Valley City for highway improvements to 6400 West from Parkway Boulevard to SR-201 Frontage Road;
- (xiv) \$4,300,000 to West Valley City for highway improvements to 2400 South from 4800 West to 7200 West and pedestrian crossings;
- (xv) \$4,000,000 to Salt Lake City for highway improvements to 700 South from 2800 West to 5600 West;
- (xvi) \$2,750,000 to Riverton City for highway improvements to 4570 West from 12600 South to Riverton Boulevard;
- (xvii) \$1,950,000 to Cottonwood Heights for improvements to Union Park Avenue from I-215 exit south to Creek Road and Wasatch Boulevard and Big Cottonwood Canyon;
- (xviii) \$1,300,000 to Cottonwood Heights for highway improvements to Bengal Boulevard;
- (xix) \$1,500,000 to Midvale City for highway improvements to 7200 South from I-15 to 1000 West;
- (xx) \$1,000,000 to Bluffdale City for an environmental impact study on Porter Rockwell Boulevard;
- (xxi) \$2,900,000 to the Utah Transit Authority for the following public transit studies:
  - (A) a circulator study; and
  - (B) a mountain transport study; and
- (xxii) \$1,000,000 to South Jordan City for highway improvements to 2700 West.

(b)

- (i) Before providing funds to a municipality or county under this Subsection (4), the Department of Transportation shall obtain from the municipality or county:
  - (A) a written certification signed by the county or city mayor or the mayor's designee certifying that the municipality or county will use the funds provided under this Subsection (4) solely for the projects described in Subsection (4)(a); and

- (B) other documents necessary to protect the state and the bondholders and to ensure that all legal requirements are met.
- (ii) Except as provided in Subsection (4)(c), by January 1 of each year, the municipality or county receiving funds described in this Subsection (4) shall submit to the Department of Transportation a statement of cash flow for the next fiscal year detailing the funds necessary to pay project costs for the projects described in Subsection (4)(a).
- (iii) After receiving the statement required under Subsection (4)(b)(ii) and after July 1, the Department of Transportation shall provide funds to the municipality or county necessary to pay project costs for the next fiscal year based upon the statement of cash flow submitted by the municipality or county.
- (iv) Upon the financial close of each project described in Subsection (4)(a), the municipality or county receiving funds under this Subsection (4) shall submit a statement to the Department of Transportation detailing the expenditure of funds received for each project.

(c) For calendar year 2012 only:

- (i) the municipality or county shall submit to the Department of Transportation a statement of cash flow as provided in Subsection (4)(b)(ii) as soon as possible; and
- (ii) the Department of Transportation shall provide funds to the municipality or county necessary to pay project costs based upon the statement of cash flow.

(5) Twenty million dollars of the bond proceeds issued under this section and funds available under Section 72-2-124 shall be provided to the State Infrastructure Bank Fund created by Section 72-2-202 to make funds available for transportation infrastructure loans and transportation infrastructure assistance under Title 72, Chapter 2, Part 2, State Infrastructure Bank Fund.

(6) The costs under Subsections (2), (3), and (4) may include the costs of studies necessary to make transportation infrastructure improvements, the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.

(7) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.

(8) The Department of Transportation may enter into agreements related to the projects described in Subsections (2), (3), and (4) before the receipt of proceeds of bonds issued under this section.

(9) The Department of Transportation may enter into a new or amend an existing interlocal agreement related to the projects described in Subsections (3) and (4) to establish any necessary covenants or requirements not otherwise provided for by law.

Amended by Chapter 282, 2021 General Session

**63B-18-402 Highway bonds -- Maximum amount -- Projects authorized.**

- (1)
  - (a) The total amount of bonds issued under this section may not exceed \$39,895,000.
  - (b) When the Department of Transportation certifies to the commission the amount of bond proceeds that it needs to provide funding for the highway construction projects described in Subsection (2), the commission may issue and sell general obligation bonds in an amount equal to the certified amount plus costs of issuance.
- (2)

- (a) Proceeds from the bonds issued under this section shall be provided to the Department of Transportation and funds under Subsection 72-2-121(4) shall be used by the Department of Transportation to pay for or to provide funds to a municipality or county to pay for the costs of right-of-way acquisition, construction, reconstruction, renovations, or improvements to highways described in Subsection (2)(b).
- (b) Bond proceeds described under Subsection (2)(a) and funds under Subsection 72-2-121(4) shall be used to pay the amounts described in this Subsection (2)(b) for the following highway projects in Salt Lake County:
  - (i) \$15,000,000 to pay for projects in the following priority order:
    - (A) interchange improvements at 5400 South and Bangerter Highway;
    - (B) interchange improvements at 4700 South and Bangerter Highway;
    - (C) reversible lanes on 5400 South from Bangerter Highway going east, terminating at either Redwood Road or Interstate 15; and
    - (D) any remaining proceeds from the amount described in Subsection (2)(b)(i) not required for the projects described in Subsections (2)(b)(i)(A), (B), and (C), to pay for intersection and congestion mitigation projects identified by the Department of Transportation in the east-west transportation route improvement study;
  - (ii) \$20,000,000 to Salt Lake City for the viaduct on North Temple and 400 West; and
  - (iii) \$4,500,000 to Sandy City for the widening and improvement of 1300 East between 9800 South to 11000 South.
- (c) Prior to a municipality or county receiving funds described in this Subsection (2), the municipality or county shall sign and file a written certification with the Department of Transportation certifying that it will use the funds provided under this Subsection (2) solely for the projects described in Subsection (2)(b).
- (d) The costs under this Subsection (2) may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.
- (3) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (4) The Department of Transportation may enter into agreements related to the project before the receipt of proceeds of bonds issued under this chapter.

Amended by Chapter 389, 2013 General Session

## **Chapter 19 2010 Financing Authorizations**

### **Part 1 2010 General Obligation Bonds and Revenue Bond Authorizations**

**63B-19-101 Capital facilities bonds -- Utah Science Technology and Research Governing Authority -- Maximum amount -- Projects authorized.**

(1) The bonds issued under this section may not exceed \$46,000,000 for acquisition and construction proceeds, plus additional amounts necessary to pay costs of issuance, to pay capitalized interest, and to fund any debt service reserve requirements, with the total amount of the bonds not to exceed \$46,460,000.

(2)

- (a) Proceeds from the issuance of bonds shall be provided to the Utah Science Technology and Research Governing Authority to provide funds to pay all or part of the cost of constructing the projects listed in this Subsection (2).
- (b) These costs may include the cost of acquiring easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.
- (c) For the Utah Science Technology and Research Governing Authority, proceeds shall be provided for the following:

CAPITAL DEVELOPMENT PROJECTS		
Project Description	Estimated Operations and Maintenance	Amount Funded
Bio Innovations Research Institute -- Utah State University	\$0	\$18,400,000
Neuroscience and Biomedical Technology Research Building -- University of Utah	\$0	\$27,600,000
<b>TOTAL CAPITAL DEVELOPMENT PROJECTS</b>		<b>\$46,000,000</b>
<b>ADDITIONAL AUTHORIZED AMOUNTS</b>		<b>\$460,000</b>
<b>TOTAL GENERAL OBLIGATION BOND AUTHORIZATION FOR CAPITAL DEVELOPMENT PROJECTS</b>		<b>\$46,460,000</b>

(3)

- (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for the projects.
- (b) The commission, by resolution and in consultation with the Utah Science Technology and Research Governing Authority, may delete the project if the inclusion of that project could be construed to violate state law or federal law or regulation.
- (4) The Utah Science Technology and Research Governing Authority may enter into agreements related to the project before the receipt of proceeds of bonds issued under this chapter.
- (5) The commission or the state treasurer may make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.
- (6) The Utah Science Technology and Research Governing Authority shall contract with the Division of Facilities Construction and Management to oversee construction of the buildings.

(7) The Utah Science Technology and Research Governing Authority may not delegate authority over construction of the capital development projects identified in this section to any entity other than the Division of Facilities Construction and Management.

Amended by Chapter 357, 2015 General Session

**63B-19-102 Revenue bond authorizations -- Board of Regents.**

(1) The Legislature intends that:

- (a) the Board of Regents, on behalf of Weber State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Weber State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of demolition, replacement, and construction of student housing on the Ogden campus;
- (b) Weber State University use student housing rental fees and parking fees as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$15,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Ogden campus housing project subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(2) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of purchasing the Ambassador Building from Salt Lake County;
- (b) the University of Utah use clinical revenues and other institutional funds as the primary revenue source for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$12,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements; and
- (d) the university may not request state funds for operation and maintenance costs or capital improvements.

(3) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of purchasing the Orthopaedics Building from the Utah Orthopaedic Foundation;
- (b) the University of Utah use clinical revenues and other institutional funds as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$25,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements; and
- (d) the university may not request state funds for operation and maintenance costs or capital improvements.

(4) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing an expansion of the University Guest House;
- (b) the University of Utah use room rental, meeting room rental, and the sale of ancillary services as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$10,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the expansion of the University Guest House project subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(5) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing an Ambulatory Care Complex;
- (b) the University of Utah use clinical revenues and other institutional funds as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$119,541,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Ambulatory Care Complex project subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(6) The Legislature intends that:

- (a) the Board of Regents, on behalf of Southern Utah University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Southern Utah University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Southern Utah Museum of Arts in conjunction with other funds authorized in Subsection 63B-19-201(1);
- (b) Southern Utah University use student fees as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$2,500,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Southern Utah Museum of Arts project subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

Enacted by Chapter 100, 2010 General Session

**Part 2**  
**2010 Capital Facility Design and Construction Authorizations**

**63B-19-201 Authorizations to design and construct capital facilities using institutional or agency funds.**

(1) The Legislature intends that:

- (a) Southern Utah University may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use \$10,000,000 in donations and the revenue bond authorized in Subsection 63B-19-102(6) to plan, design, and construct a Southern Utah Museum of Arts, with 28,000 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the university may not request state funds for operation and maintenance costs or capital improvements.

(2) The Legislature intends that:

- (a) the University of Utah may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use \$17,878,000 in donations, federal funds, and institutional funds to plan, design, and construct an addition to the Henry Eyring Building, with 40,915 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the university may not request state funds for operation and maintenance costs or capital improvements.

(3) The Legislature intends that:

- (a) Utah State University may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use \$3,000,000 in donations to plan, design, and construct a Botanical Center classroom building, with 7,900 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the university may not request state funds for operation and maintenance costs or capital improvements.

(4) The Legislature intends that:

- (a) the Utah State Office of Rehabilitation created in Section 35A-1-202 may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use \$1,497,000 in federal grants to plan, design, and construct a residential facility for the blind, with 8,000 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the division may not request state funds for operation and maintenance costs or capital improvements.

(5) The Legislature intends that:

- (a) the Department of Public Safety may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use \$3,294,000 of nonlapsing balances within the driver license line item in the Department of Public Safety budget in fiscal year 2010 to plan, design, and construct an Ogden driver license building with 10,500 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the department may not request state funds for operation and maintenance costs or capital improvements.

(6) The Legislature intends that:

- (a) the University of Utah may use donations to prepare preliminary plans for a dental school building;

- (b) no state funds be used for any portion of the planning; and
- (c) the University of Utah may not design or construct a dental school building unless and until the Legislature authorizes:
  - (i) the design and construction of a dental school building;
  - (ii) the University to pursue the establishment of a dental school program; and
  - (iii) the appropriation of funds at a level sufficient to fund a dental school program at the University of Utah.

Amended by Chapter 271, 2016 General Session

### **Part 3 2010 Property Authorizations**

#### **63B-19-301 Authorizations to sell property.**

The Legislature intends that the Division of Facilities Construction and Management and any other state agency with title to property identified as Emery County Tax Parcel No.1-156-6 are authorized to sell a perpetual easement to Rocky Mountain Power that is approximately 60 feet in width on property at Green River that was subject to cleanup of radiation contamination by the United States Department of Energy and was acquired by the state of Utah, the purchase of which was funded 90% by the federal government pursuant to 42 U.S.C. Sec. 7914, subject to the following:

- (1) The easement shall identify the conditions of the sale and require the payment of \$5,000 as consideration, of which 90% is to be refunded to the federal government.
- (2) Rocky Mountain Power shall be required to comply with all applicable environmental laws and requirements in regard to the easement.

Enacted by Chapter 100, 2010 General Session

### **Part 4 2010 Lease-Purchase Authorizations**

#### **63B-19-401 Lease-purchase authorizations.**

The Legislature intends that the courts may use existing funds to enter into a lease-purchase agreement for the Spanish Fork Courthouse at no additional cost to the state.

Enacted by Chapter 100, 2010 General Session

### **Chapter 20 2011 Bonding and Financing Authorizations**

#### **Part 1 2011 General Obligation Bond and Revenue Bond Authorizations**

**63B-20-101 Capital Facilities bonds -- Maximum amount -- Projects authorized.**

(1) The total amount of bonds issued under this section may not exceed \$88,516,000 for acquisition and construction proceeds, plus additional amounts necessary to pay costs of issuance, to pay capitalized interest, and to fund any debt service reserve requirements, with the total amount of the bonds not to exceed \$89,401,200.

(2)

- (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).
- (b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.
- (c) For the division, proceeds shall be provided for the following:

CAPITAL DEVELOPMENT PROJECTS		
Project Description	Estimated Operations and Maintenance	Amount Funded
Utah State Hospital Building Consolidation Department of Human Services	\$14,500	\$25,000,000
Professional Programs Classroom Building Weber State University	\$725,000	\$31,535,000
Tooele County Campus Tooele Applied Technology College	\$569,000	\$9,981,000
Business Building Addition/Remodel Utah State University	\$797,000	\$14,000,000
State Warehouse Remodel State Archives and Davis Applied Technology College	\$80,000	\$5,000,000
Herriman Land Purchase Salt Lake Community College	\$0	\$3,000,000
<b>TOTAL CAPITAL DEVELOPMENT PROJECTS</b>		<b>\$88,516,000</b>
<b>ADDITIONAL AUTHORIZED AMOUNTS</b>	<b>\$885,200</b>	
<b>TOTAL GENERAL OBLIGATION BOND AUTHORIZATION FOR CAPITAL DEVELOPMENT PROJECTS</b>		<b>\$89,401,200</b>

(d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;
- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

- (e) Notwithstanding prohibitions on using state funds for operations and maintenance costs for that portion of the professional programs classroom building for Weber State University, that project shall be authorized to receive operations and maintenance costs as specifically provided in this section.
- (3)
  - (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.
  - (b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.
  - (c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.
- (4)
  - (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.
  - (b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.
  - (c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.
  - (d) The state intends to use proceeds of tax-exempt bonds to reimburse itself for expenditures for costs of the projects listed in Subsection (2)(c).
- (5) It is the intent of the Legislature that the funding authorized for projects in Subsection (2) does not include funds for public art.

Enacted by Chapter 393, 2011 General Session

### **63B-20-102 Revenue Bond Authorizations -- State Building Ownership Authority.**

- (1) The Legislature intends that:
  - (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$3,900,000 for the acquisition of the Davis County Courts building and adjacent land in Farmington City, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (b) the judicial branch use existing lease budgets as the primary revenue source for repayment of any obligation created under authority of this section; and
  - (c) the judicial branch may not request additional state funds for operation and maintenance costs.
- (2) The Legislature intends that:
  - (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$1,200,000 for the acquisition and construction of the Utah College of Applied Technology Administration and Training building with up to 8,000 square feet, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (b) the Utah College of Applied Technology use existing lease budgets as the primary revenue source for repayment of any obligation created under authority of this section; and

(c) the Utah College of Applied Technology may not request additional state funds for operation and maintenance costs.

Enacted by Chapter 409, 2011 General Session

**63B-20-103 Revenue Bond Authorizations -- Board of Regents.**

(1) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah Valley University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah Valley University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing a Student Life and Wellness building with up to 170,000 square feet;
- (b) Utah Valley University use student fees as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$40,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Student Life and Wellness building subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(2) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah Valley University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah Valley University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing a parking structure with up to 534 stalls;
- (b) Utah Valley University use parking fees as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$8,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the parking structure, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(3) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing a parking structure for the Ambulatory Care Complex;
- (b) the University of Utah use clinical revenues and other institutional funds as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$16,328,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the parking structure, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and

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

(4) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing a University of Utah Healthcare Medical Services building with up to 70,000 square feet;
- (b) the University of Utah use clinical revenues, donations, and other institutional funds as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$25,857,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Healthcare Medical Services building, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(5) The Legislature intends that:

- (a) the Board of Regents, on behalf of Snow College, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Snow College to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing student housing with up to 93,000 square feet;
- (b) Snow College use student housing rental fees as the primary revenue source for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$15,689,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the student housing, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(6) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of expanding the Dee Glen Smith Athletic Center with up to 115,000 new square feet;
- (b) the University of Utah use donations and television revenues as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$30,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the athletic center subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(7) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of acquiring the University of Utah South Jordan Health Center that is currently leased;
- (b) the University of Utah use clinical enterprise revenues as the primary source for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$66,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) no state funds be used for any portion of this project; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(8) The Legislature intends that:

- (a) the Board of Regents, on behalf of Weber State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Weber State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance a portion of the cost of constructing a Professional Programs Classroom Building on the Davis Campus;
- (b) Weber State University use student fees and other contributions as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$8,400,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the classroom building subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

Amended by Chapter 393, 2012 General Session

## **Part 2** **2011 Capital Facility Design and Construction Authorizations**

### **63B-20-201 Authorizations to design and construct capital facilities using institutional or agency funds.**

(1) The Legislature intends that:

- (a) Utah State University may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$2,500,000 in donations to plan, design, and renovate the existing 8,800 square foot structure, and construct an addition to the Art Barn with up to 3,700 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the university may not request state funds for operation and maintenance costs or capital improvements.

(2) The Legislature intends that:

- (a) Utah State University may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$10,000,000 in donations and institutional funds to plan, design, and construct a Regional Campuses and Distance Education building, with up to 38,000 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the university may not request state funds for operation and maintenance costs or capital improvements.

(3) The Legislature intends that:

- (a) Utah State University may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$7,500,000 in donations to plan, design, and construct an Athletics Competition and Practice Facility, with up to 28,000 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the university may not request state funds for operation and maintenance costs or capital improvements.

(4) The Legislature intends that:

- (a) the Department of Natural Resources may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$2,300,000 in donations to plan, design, and construct the Lee Kay Archery Center, with up to 50,000 new square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the department may not request state funds for operation and maintenance costs or capital improvements.

Enacted by Chapter 409, 2011 General Session

## **Chapter 21 2012 Bonding and Financing Authorizations**

### **Part 1 2012 Revenue Bond Authorizations**

#### **63B-21-101 Revenue Bond Authorizations -- State Building Ownership Authority.**

The Legislature intends that:

- (1) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$1,900,000 for the acquisition of the Sevier County Courts Building in Richfield City, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (2) the Judicial Branch use existing lease budgets as the primary revenue source for repayment of any obligation created under authority of this section; and
- (3) the Judicial Branch may not request additional state funds for operation and maintenance costs.

Enacted by Chapter 393, 2012 General Session

**63B-21-102 Revenue Bond Authorizations -- Board of Regents.**

(1) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of expanding the Orthopaedic Center with up to 25,200 new and remodeled square feet;
- (b) University of Utah use clinical revenues, donations, and other institutional funds as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$9,580,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Orthopaedic Center expansion subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(2) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing a parking structure in the HPER area;
- (b) the University of Utah use parking revenue and permit fees as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$21,702,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the parking structure subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(3) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing a parking structure in the Health Sciences area;
- (b) the University of Utah use parking revenue and permit fees as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$19,980,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the parking structure subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(4) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the

credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing student housing for the Utah State University Eastern San Juan campus in Blanding with up to 16,000 new square feet;

- (b) Utah State University use student housing rental fees as the primary revenue source for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$4,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the student housing subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(5) The Legislature intends that:

- (a) the Board of Regents, on behalf of Weber State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Weber State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing an addition to the Stromberg Center for student recreation with up to 29,200 new square feet;
- (b) Weber State University use student fees and facility use fees as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$8,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Stromberg Center addition subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(6) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature to finance the cost of constructing a S.J. Quinney College of Law Building with up to 155,900 new square feet;
- (b) the University of Utah use donations and institutional funds as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$60,500,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the building subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may use previously authorized state funds for operation and maintenance costs or capital improvements.

Enacted by Chapter 393, 2012 General Session

## Part 2

## 2012 Capital Facility Design and Construction Authorizations

### 63B-21-201 Authorizations to design and construct capital facilities using institutional or agency funds.

- (1) The Legislature intends that:
  - (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$37,400,000 in donations and institutional funds to plan, design, and construct a Dental School Building with up to 70,200 new square feet;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may not request state funds for operation and maintenance costs or capital improvements.
- (2) The Legislature intends that:
  - (a) the Uintah Basin Applied Technology College may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use \$1,000,000 in donations and institutional funds to plan, design, and construct a Petroleum Technology, Energy Safety, and Transportation Training Center with up to 6,500 new square feet;
  - (b) no state funds be used for any portion of this project; and
  - (c) the college may use state funds for operation and maintenance costs and capital improvements.

Enacted by Chapter 393, 2012 General Session

## Chapter 22 2013 Bonding and Financing Authorizations

### Part 1 2013 Revenue Bond Authorizations

#### 63B-22-101 Revenue bond authorizations -- Board of Regents.

- (1) The Legislature intends that:
  - (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Aggie Life & Wellness Center;
  - (b) Utah State University use student fees as the primary revenue sources for repayment of any obligation created under authority of this section;
  - (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$30,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (d) the university shall plan, design, and construct the Aggie Life & Wellness Center subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
  - (e) the university may not request state funds for operation and maintenance costs or capital improvements.
- (2) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Blanding Recreational Center at Utah State University: College of Eastern Utah: Blanding Campus;
- (b) Utah State University use student fees as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$900,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university shall plan, design, and construct the Blanding Recreational Center subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(3) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Space Dynamics Laboratory;
- (b) Utah State University use reimbursement from research projects as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$20,532,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university shall plan, design, and construct the Space Dynamics Laboratory subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(4) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Basketball Training Center - HPER Addition;
- (b) the University of Utah use athletic revenues from ticket sales and television revenues as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$23,600,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university shall plan, design, and construct the Basketball Training Center - HPER Addition subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(5) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the

credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Utah State University Athletic Complex/Training Center;

- (b) Utah State University use donations as the primary revenue sources for repayment of any obligation created under authority of this section;
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this section is \$7,500,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university shall plan, design, and construct the Utah State University Athletic Complex/Training Center subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

Enacted by Chapter 409, 2013 General Session

## **Part 2** **2013 Capital Facility Design and Construction Authorizations**

### **63B-22-201 Authorizations to design and construct capital facilities using institutional or agency funds.**

- (1) The Legislature intends that:
  - (a) Southern Utah University may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use up to \$35,000,000 in donations and institutional funds to plan, design, and construct a Center for the Arts with up to 110,000 square feet;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may not request state funds for operation and maintenance costs or capital improvements.
- (2) The Legislature intends that:
  - (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use up to \$11,040,000 in donations and institutional funds to plan, design, and construct a Renovation and Addition of Phase II of the Kennecott Building with up to 40,700 new square feet;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may use state funds for operation and maintenance costs or capital improvements.
- (3) The Legislature intends that:
  - (a) Utah State University may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use up to \$9,800,000 in donations and institutional funds to plan, design, and construct a Science and Technology Building at Utah State University Tooele with up to 33,000 square feet;
  - (b) no state funds be used for any portion of this project; and
  - (c) the university may use state funds for operation and maintenance costs or capital improvements.
- (4) The Legislature intends that:

- (a) the Department of Public Safety may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use up to \$1,505,000 in nonlapsing balances to plan, design, and construct a Drivers License Building in Price with up to 7,500 square feet;
- (b) no state funds be used for any portion of this project; and
- (c) the department may use state funds for operation and maintenance costs or capital improvements.

Amended by Chapter 113, 2014 General Session

## **Chapter 23 2014 Bonding and Financing Authorizations**

### **Part 1 2014 Revenue Bond Authorizations**

#### **63B-23-101 Revenue bond authorizations -- Board of Regents.**

- (1) The Legislature intends that:
  - (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Lassonde Living Center;
  - (b) the University of Utah use student fees and rents as the primary revenue sources for repayment of any obligation created under authority of this Subsection (1);
  - (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (1) is \$45,238,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (d) the university shall plan, design, and construct the Lassonde Living Center subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
  - (e) the university may not request state funds for operation and maintenance costs or capital improvements.
- (2) The Legislature intends that:
  - (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, except as provided in Subsection (2)(f), other than appropriations of the Legislature, to finance the cost of replacing the University of Utah's utility distribution infrastructure;
  - (b) the University of Utah impose a power bill surcharge as the primary revenue source for the repayment of any obligation created under authority of this Subsection (2);
  - (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (2) is \$32,000,000 together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (d) the revenue bonds or evidences of indebtedness authorized by this Subsection (2) may not mature later than 10 years after the date of issuance;

- (e) the university shall plan, design, and construct the University of Utah's replacement utility distribution infrastructure subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (f) until July 1, 2024, the Division of Facilities Construction and Management annually allocate up to \$1,500,000 of the capital improvement funding allocation given to the University of Utah under Section 63A-5b-405 to be used to pay the debt service on the bonds authorized under this Subsection (2).

Amended by Chapter 152, 2020 General Session

## **Part 2** **2014 Capital Facility Design and Construction Authorizations**

### **63B-23-201 Authorizations to design and construct capital facilities using institutional or agency funds.**

- (1) The Legislature intends that:
  - (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use up to \$10,000,000 in donations and institutional funds to plan, design, and construct an expansion and renovation of the Alumni House at the University of Utah with up to an additional 17,000 new square feet;
  - (b) the university may not use state funds for any portion of this project; and
  - (c) the university may not use state funds for operation and maintenance costs or capital improvements.
- (2) The Legislature intends that:
  - (a) the Department of Public Safety may, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use up to \$875,000 in nonlapsing balances and an additional \$400,000 appropriated from the Department of Public Safety Restricted Account to plan, design, and construct a Communications and Drivers License Building in Vernal with up to 3,500 square feet;
  - (b) the department may not use state funds for any portion of this project; and
  - (c) the department may use state funds for operation and maintenance costs or capital improvements.

Amended by Chapter 281, 2015 General Session

## **Part 3** **2014 Lease-purchase Authorizations**

### **63B-23-301 Lease-purchase authorizations.**

The Legislature intends that:

- (1) the Mountainland Applied Technology Campus of the Utah College of Applied Technology, subject to requirements in Title 63A, Chapter 5b, Administration of State Facilities, use up to \$10,683,000 of existing and institutional funds to enter into a lease-purchase agreement to plan, design, and construct a Technology Trades Building for the Mountainland Applied Technology College at the Lehi Campus with up to 40,500 square feet; and

(2) the college may not request state funds for operation and maintenance costs or capital improvements during the term of the lease-purchase agreement.

Enacted by Chapter 113, 2014 General Session

## **Chapter 24 Bonding and Financing Authorizations**

### **Part 1 2015 Revenue Bond Authorizations**

#### **63B-24-101 Revenue bond authorizations -- State Building Ownership Authority.**

(1) The Legislature intends that:

- (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$86,936,000 for the Fourth District Provo Courthouse Expansion, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;
- (b) the judicial branch use court fees and existing lease budgets as the primary revenue sources for repayment of any obligation created under authority of this Subsection (1); and
- (c) the judicial branch may use state funds for operation and maintenance costs or capital improvements.

(2) The Legislature intends that:

- (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$4,447,900 for a West Valley Liquor Store, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;
- (b) the Department of Alcoholic Beverage Services use increased sales revenues as the primary revenue source for repayment of any obligation created under authority of this Subsection (2); and
- (c) the Department of Alcoholic Beverage Services may request operation and maintenance funding from sales revenues.

Amended by Chapter 447, 2022 General Session

#### **63B-24-102 Revenue bond authorizations -- Board of Regents.**

(1) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Orson Spencer Hall Redevelopment;

- (b) the University of Utah use student fees and donations as the primary revenue sources for repayment of any obligation created under authority of this Subsection (1);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (1) is \$45,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university shall plan, design, and construct the Orson Spencer Hall Redevelopment subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may use state funds for operation and maintenance costs or capital improvements.

(2) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Valley View Residence Hall Replacement;
- (b) Utah State University use revenues from housing operations as the primary revenue source for repayment of any obligation created under authority of this Subsection (2);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (2) is \$23,100,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university shall plan, design, and construct the Valley View Residence Hall Replacement subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(3) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Romney Stadium Westside Renovation;
- (b) Utah State University use gate receipts and donations as the primary revenue sources for repayment of any obligation created under authority of this Subsection (3);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (3) is \$23,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university shall plan, design, and construct the Romney Stadium Westside Renovation subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(4) The Legislature intends that:

- (a) the Board of Regents, on behalf of Dixie State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Dixie State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing a Student Housing Project;
- (b) Dixie State University use rental fees and other auxiliary income as the primary revenue sources for repayment of any obligation created under authority of this Subsection (4);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (4) is \$20,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;

- (d) the university shall plan, design, and construct the Student Housing Project subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

Enacted by Chapter 281, 2015 General Session

## **Part 2** **2015 Capital Facility Design and Construction Authorizations**

### **63B-24-201 Authorizations to design and construct capital facilities using institutional or agency funds.**

- (1) The Legislature intends that:
  - (a) the University of Utah may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use up to \$8,200,000 in institutional funds to plan, design, and construct the William C. Browning Building Addition with up to 24,000 square feet;
  - (b) the university may not use state funds for any portion of this project; and
  - (c) the university may use state funds for operation and maintenance costs or capital improvements.
- (2) The Legislature intends that:
  - (a) Utah State University may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use up to \$10,000,000 in institutional funds to plan, design, and construct the Fine Arts Complex Addition/Renovation with up to 17,000 square feet;
  - (b) the university may not use state funds for any portion of this project; and
  - (c) the university may use state funds for operation and maintenance costs or capital improvements.
- (3) The Legislature intends that:
  - (a) Salt Lake Community College may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use up to \$3,900,000 in institutional funds to plan, design, and construct a Strength and Conditioning Center with up to 11,575 square feet;
  - (b) the college may not use state funds for any portion of this project; and
  - (c) the college may not request state funds for operation and maintenance costs or capital improvements.
- (4) The Legislature intends that:
  - (a) the Governor's Office of Economic Opportunity may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use up to \$1,800,000 in nonlapsing balances and donations to plan, design, and construct or lease a Southern Utah Welcome Center with up to 5,000 square feet;
  - (b) the office may request additional state funds for the project, unless the office receives donations and begins design or construction of the project; and
  - (c) the office may use state funds for operation and maintenance costs or capital improvements.

Amended by Chapter 282, 2021 General Session

## **Chapter 26** **2016 Bonding and Financing Authorizations**

### **Part 1** **2016 Revenue Bond Authorizations**

#### **63B-26-101 Revenue bond authorizations -- State Building Ownership Authority.**

(1) The Legislature intends that:

- (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$3,000,000 for the Fourth District Provo Courthouse parking lot, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;
- (b) the judicial branch use court fees and existing lease budgets as the primary revenue sources for repayment of any obligation created under authority of this Subsection (1);
- (c) the judicial branch may use state funds for operation and maintenance costs or capital improvements; and
- (d) the revenue bond authorized under this Subsection (1) may not be issued until on or after March 1, 2017.

(2) The Legislature intends that:

- (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$5,043,400 for a Syracuse liquor store, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;
- (b) the Department of Alcoholic Beverage Services use sales revenues as the primary revenue source for repayment of any obligation created under authority of this Subsection (2); and
- (c) the Department of Alcoholic Beverage Services may request operation and maintenance funding from sales revenues.

Amended by Chapter 447, 2022 General Session

#### **63B-26-102 Revenue bond authorizations -- Board of Regents.**

(1) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the David Eccles School of Business Executive Education Building;
- (b) the University of Utah use institutional funds and donations as the primary revenue sources for repayment of any obligation created under authority of this Subsection (1);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (1) is \$50,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;

- (d) the University of Utah may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use up to \$30,000,000 in donations and institutional funds to plan, design, and construct the David Eccles School of Business Executive Education Building with up to 150,000 square feet;
- (e) the university shall plan, design, and construct the David Eccles School of Business Executive Education Center, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (f) the university may use previously authorized state funds for operation and maintenance costs or capital improvements.

(2) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of purchasing a student apartment building complex and surrounding property;
- (b) Utah State University use revenues from housing operations as the primary revenue source for repayment of any obligation created under authority of this Subsection (2);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (2) is \$20,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements; and
- (d) the university may not request state funds for operation and maintenance costs or capital improvements.

(3) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Space Dynamics Laboratory Phase II;
- (b) Utah State University use reimbursement from research projects as the primary revenue source for repayment of any obligation created under authority of this Subsection (3);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (3) is \$12,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university shall plan, design, and construct the Space Dynamics Laboratory Phase II, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

Enacted by Chapter 250, 2016 General Session

## **Chapter 27 2017 Bonding and Financing Authorizations**

### **Part 1 2017 Highway General Obligation Bonds**

**63B-27-101 Highway bonds -- Maximum amount -- Use of proceeds for highway projects.**

(1)

- (a) Subject to the restriction in Subsection (1)(c), the total amount of bonds issued under this section may not exceed \$1,000,000,000 for acquisition and construction proceeds , plus additional amounts necessary to pay costs of issuance, to pay capitalized interest, and to fund any existing debt service reserve requirements, with the total amount of the bonds not to exceed \$1,010,000,000 .
- (b) When the Department of Transportation certifies to the commission that the requirements of Subsection 72-2-124(7) have been met and certifies the amount of bond proceeds that the commission needs to provide funding for the projects described in Subsection (2) for the current or next fiscal year, the commission may issue and sell general obligation bonds in an amount equal to the certified amount, plus additional amounts necessary to pay costs of issuance , to pay capitalized interest, and to fund any existing debt service reserve requirements, not to exceed 1% of the certified amount .
- (c) The commission may not issue general obligation bonds authorized under this section if the issuance of the general obligation bonds would result in the total current outstanding general obligation debt of the state exceeding 50% of the limitation described in the Utah Constitution, Article XIV, Section 1.

(2) Except as provided in Subsections (3) and (4), proceeds from the issuance of bonds shall be provided to the Department of Transportation to pay all or part of the costs of the following state highway construction or reconstruction projects:

- (a) state and federal highways prioritized by the Transportation Commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304, giving priority consideration for projects with a regional significance or that support economic development within the state, including:
  - (i) projects that are prioritized but exceed available cash flow beyond the normal programming horizon; or
  - (ii) projects prioritized in the state highway construction program; and
- (b) \$100,000,000 to be used by the Department of Transportation for transportation improvements as prioritized by the Transportation Commission for projects that:
  - (i) have a significant economic development impact associated with recreation and tourism within the state; and
  - (ii) address significant needs for congestion mitigation.

(3)

- (a) Forty-six million dollars of the bond proceeds issued under this section shall be provided to the State Infrastructure Bank Fund created by Section 72-2-202 to make funds available for a transportation infrastructure loan or transportation infrastructure assistance under Title 72, Chapter 2, Part 2, State Infrastructure Bank Fund, including the amounts as follows:
  - (i) subject to Subsection (3)(b), \$14,000,000 to the military installation development authority created in Section 63H-1-201;
  - (ii) \$5,000,000 to the Inland Port Authority created in Section 11-58-201, for highway, infrastructure, and rail right-of-way acquisition, design, engineering, and construction, to be repaid through tax differential; and
  - (iii) \$7,000,000 to Midvale City for a parking structure in proximity to an intermodal transportation facility that enhances economic development within the city.
- (b) When the loan described in Subsection (3)(a)(i) is transferred in accordance with Section 72-2-202, the bond proceeds for the loan shall be provided to the military development infrastructure revolving loan fund created in Section 63A-3-402.

- (c) When the funds described in Subsection (3)(a)(ii) are transferred in accordance with Subsection 72-2-202(8), the funds shall be provided to the inland port infrastructure revolving loan fund created in Section 63A-3-402.
- (4)
  - (a) Four million dollars of the bond proceeds issued under this section shall be used for a public transit fixed guideway rail station associated with or adjacent to an institution of higher education.
  - (b) Nineteen million dollars of the bond proceeds issued under this section shall be used by the Department of Transportation for the design, engineering, construction, or reconstruction of underpasses under a state highway connecting a state park and a project area created by a military installation development authority created in Section 63H-1-201.
  - (c) Nine million dollars of the bond proceeds issued under this section shall be used by the Department of Transportation for infrastructure improvements related to the Provo Airport.
  - (d) If project savings are identified by the Department of Transportation from the funds provided to the Department of Transportation as described in this section, the Department of Transportation may use available funding to study, design, engineer, and construct rail access through I-80 in western Salt Lake County.
- (5) The bond proceeds issued under this section shall be provided to the Department of Transportation.
- (6) The costs under Subsection (2) may include the costs of studies necessary to make transportation infrastructure improvements, the costs of acquiring land, interests in land, and easements and rights-of-way, the costs of improving sites, and making all improvements necessary, incidental, or convenient to the facilities, and the costs of interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.
- (7) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (8) The Department of Transportation may enter into agreements related to the projects described in Subsection (2) before the receipt of proceeds of bonds issued under this section.

Amended by Chapter 259, 2023 General Session

**63B-27-102 Highway bonds -- Maximum amount -- Use of proceeds for Salt Lake County highway projects.**

- (1)
  - (a) Subject to the restriction in Subsection (1)(c), the total amount of bonds issued under this section may not exceed \$47,000,000 for acquisition and construction proceeds , plus additional amounts necessary to pay costs of issuance, to pay capitalized interest, and to fund any existing debt service reserve requirements, with the total amount of the bonds not to exceed \$47,470,000 .
  - (b) When the Department of Transportation certifies to the commission the amount of bond proceeds that the commission needs to provide funding for the projects described in Subsection (2), the commission may issue and sell general obligation bonds in an amount equal to the certified amount, plus additional amounts necessary to pay costs of issuance , to pay capitalized interest, and to fund any existing debt service reserve requirements, not to exceed one percent of the certified amount .

- (c) The commission may not issue general obligation bonds authorized under this section if the issuance of the general obligation bonds would result in the total current outstanding general obligation debt of the state exceeding 50% of the limitation described in the Utah Constitution, Article XIV, Section 1.
- (2)
  - (a) Proceeds from the bonds issued under this section shall be provided to the Department of Transportation to pay for or to provide funds to a municipality or county to pay for the costs of right-of-way acquisition, construction, reconstruction, renovations, or improvements to highways, transportation facilities, or multimodal transportation projects described in Subsection (2)(b).
  - (b) Bond proceeds described under Subsection (2)(a) shall be used to pay for state and local highway projects or transportation facilities or multimodal transportation projects described in Subsection 72-2-121(4)(c) in Salt Lake County prioritized by the county.
  - (c) The costs under this Subsection (2) may include the costs of acquiring land, interests in land, and easements and rights-of-way, the costs of improving sites, and making all improvements necessary, incidental, or convenient to the facilities, and the costs of interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.
- (3) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (4) The Department of Transportation may enter into agreements related to the project before the receipt of proceeds of bonds issued under this chapter.

Amended by Chapter 280, 2018 General Session

**63B-27-103 Highway bonds debt limitation.**

- (1) Notwithstanding Subsection 63B-27-101(1)(c), the commission may issue a general obligation bond authorized under Section 63B-27-101 if the issuance of the general obligation bond would result in the total current outstanding general obligation debt of the state exceeding 50% of the limitation described in the Utah Constitution, Article XIV, Section 1.
- (2) This section supersedes any conflicting provisions of Utah law.

Enacted by Chapter 2, 2020 Special Session 3

**Part 2**  
**2017 Revenue Bond Authorizations**

**63B-27-201 Revenue bond authorizations -- State Building Ownership Authority.**

- (1) The Legislature intends that:
  - (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$5,451,800 for a Farmington liquor store, together with additional amounts

necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;

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

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

(2) The Legislature intends that:

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

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

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

Amended by Chapter 447, 2022 General Session

**63B-27-202 Revenue bond authorizations -- Board of Regents.**

(1) The Legislature intends that:

(a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing an expansion of the University Guest House;

(b) the University of Utah use room rental, meeting room rental, and the sale of ancillary services as the primary revenue sources for repayment of any obligation created under authority of this Subsection (1);

(c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (1) may not exceed \$8,250,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;

(d) the university may plan, design, and construct the expansion of the University Guest House, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and

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

(2) The Legislature intends that:

(a) the Board of Regents, on behalf of Dixie State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Dixie State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing an expansion of the Legend Solar Stadium;

(b) Dixie State University use donations and institutional funds as the primary revenue sources for repayment of any obligation created under authority of this Subsection (2);

(c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (2) may not exceed \$4,700,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;

- (d) the university may plan, design, and construct an expansion of the Legend Solar Stadium, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(3) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Medical Education and Discovery Complex and Rehabilitation Hospital;
- (b) the University of Utah use donations, clinical revenues, and other institutional funds as the primary revenue sources for repayment of any obligation created under authority of this Subsection (3);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (3) may not exceed \$190,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Medical Education and Discovery Complex and Rehabilitation Hospital, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may request state funds for operation and maintenance costs and capital improvements.

(4) The Legislature intends that:

- (a) the Board of Regents, on behalf of Dixie State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Dixie State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Human Performance Center;
- (b) Dixie State University use donations, student fees, and other institutional funds as the primary revenue sources for repayment of any obligation created under authority of this Subsection (4);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (4) may not exceed \$16,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Human Performance Center, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may request state funds for operation and maintenance costs and capital improvements.

Enacted by Chapter 355, 2017 General Session

### **Part 3** **2017 Lease-purchase Authorizations**

#### **63B-27-301 Lease-purchase authorizations.**

The Legislature intends that:

- (1) the Dixie Applied Technology College, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$9,505,300, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements, for the planning, design, and construction of the Industrial Building for the Dixie Applied Technology College permanent main campus building with up to 64,000 square feet; and
- (2) the college may request state funds for operation and maintenance costs, but not for capital improvements for the leased building during the term of the lease-purchase agreement.

Enacted by Chapter 355, 2017 General Session

## **Chapter 28 2018 Bonding and Financing Authorizations**

### **Part 1 2018 Revenue Bond Authorizations**

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

- (1) The Legislature intends that:
  - (a) the State Building Ownership Authority, under the authority of Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$5,451,800 for a Pleasant Grove or Lehi market area liquor store, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;
  - (b) the Department of Alcoholic Beverage Services use sales revenues as the primary revenue source for repayment of any obligation created under authority of this Subsection (1); and
  - (c) the Department of Alcoholic Beverage Services may request operation and maintenance funding from sales revenues.
- (2) The Legislature intends that:
  - (a) the State Building Ownership Authority, under the authority of Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$12,859,000 for reconstructing the Store 4: Foothill liquor store, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;
  - (b) the Department of Alcoholic Beverage Services use sales revenues as the primary revenue source for repayment of any obligation created under authority of this Subsection (2); and
  - (c) the Department of Alcoholic Beverage Services may request operation and maintenance funding from sales revenues.

Amended by Chapter 315, 2022 General Session

Amended by Chapter 447, 2022 General Session

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

(1) The Legislature intends that:

- (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing a south campus student housing and dining project;
- (b) the University of Utah use student housing rental fees and other auxiliary revenues as the primary revenue sources for repayment of any obligation created under authority of this Subsection (1);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (1) may not exceed \$105,217,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct a south campus student housing and dining project, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(2) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Space Dynamics Laboratory Phase II;
- (b) Utah State University use reimbursement from research projects as the primary revenue sources for repayment of any obligation created under authority of this Subsection (2);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (2) may not exceed \$31,400,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Space Dynamics Laboratory Phase II, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(3) The Legislature intends that:

- (a) the Board of Regents, on behalf of Salt Lake Community College, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Salt Lake Community College to borrow money on the credit, revenues, and reserves of the college, other than appropriations of the Legislature, to finance the cost of constructing a student center on the Jordan Campus;
- (b) Salt Lake Community College use student fees as the primary revenue sources for repayment of any obligation created under authority of this Subsection (3);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (3) may not exceed \$13,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the college may plan, design, and construct a student center on the Jordan Campus, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the college may not request state funds for operation and maintenance costs or capital improvements.

Enacted by Chapter 406, 2018 General Session

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

**63B-28-201 Authorization to design and construct capital facilities using institutional or agency funds.**

The Legislature intends that:

- (1) Weber State University may, subject to the requirements in Title 63A, Chapter 5b, Administration of State Facilities, use up to \$17,604,700 in donations and institutional funds to plan, design, and construct the Davis Campus Computer and Automotive Engineering Building;
- (2) the university may not use state funds for any portion of this project; and
- (3) the university may use state funds for operation and maintenance costs and capital improvements.

Enacted by Chapter 406, 2018 General Session

**Chapter 29**  
**2019 Bonding and Financing Authorizations**

**Part 1**  
**2019 Revenue Bond Authorizations**

**63B-29-101 Revenue bond authorizations -- State Building Ownership Authority.**

- (1) The Legislature intends that:
  - (a) the State Building Ownership Authority, under the authority of Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$14,591,000 for the downtown liquor store relocation, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;
  - (b) the Department of Alcoholic Beverage Services use sales revenue as the primary revenue source for repayment of any obligation created under authority of this Subsection (1); and
  - (c) the Department of Alcoholic Beverage Services may request operation and maintenance funding from sales revenue.
- (2) The Legislature intends that:
  - (a) the State Building Ownership Authority, under the authority of Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$14,000,000 for two liquor stores in the Taylorsville and West Valley City market areas, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;

- (b) the Department of Alcoholic Beverage Services use sales revenue as the primary revenue source for repayment of any obligation created under authority of this Subsection (2); and
- (c) the Department of Alcoholic Beverage Services may request operation and maintenance funding from sales revenue.

Amended by Chapter 315, 2022 General Session

Amended by Chapter 447, 2022 General Session

**63B-29-102 Revenue bond authorizations -- Board of Regents.**

- (1) The Legislature intends that:
  - (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenue, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Kathryn F. Kirk Center for Comprehensive Cancer Care and Women's Cancers;
  - (b) the University of Utah use hospital revenue and donations as the primary revenue sources for repayment of any obligation created under authority of this Subsection (1);
  - (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (1) may not exceed \$40,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (d) the university may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use up to \$89,000,000 in donations and other Huntsman Cancer Institute funds together with proceeds authorized under Subsection (1)(c) to plan, design, and construct the Kathryn F. Kirk Center for Comprehensive Cancer Care and Women's Cancers; and
  - (e) the university may not request state funds for operation and maintenance costs or capital improvements.
- (2) The Legislature intends that:
  - (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenue, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Rice-Eccles Stadium South End Zone upgrade;
  - (b) the University of Utah use athletic revenue and other institutional funds as the primary revenue sources for repayment of any obligation created under authority of this Subsection (2);
  - (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (2) may not exceed \$80,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (d) the university may plan, design, and construct the Rice-Eccles Stadium South End Zone upgrade, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
  - (e) the university may not request state funds for operation and maintenance costs or capital improvements.
- (3) The Legislature intends that:
  - (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the

credit, revenue, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Mountain View Residence Hall replacement;

- (b) Utah State University use student housing rental fees and other auxiliary revenue as the primary revenue sources for repayment of any obligation created under authority of this Subsection (3);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (3) may not exceed \$41,600,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Mountain View Residence Hall replacement, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(4) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenue, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the East Parking Terrace;
- (b) Utah State University use parking fees and other auxiliary revenue as the primary revenue sources for repayment of any obligation created under authority of this Subsection (4);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (4) may not exceed \$11,700,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the East Parking Terrace, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(5) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenue, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Space Dynamics Laboratory Research Building;
- (b) Utah State University use reimbursement from research projects as the primary revenue sources for repayment of any obligation created under authority of this Subsection (5);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (5) may not exceed \$37,700,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Space Dynamics Laboratory Research Building, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(6) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the

credit, revenue, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Space Dynamics Laboratory High Bay Building;

- (b) Utah State University use reimbursement from research projects as the primary revenue sources for repayment of any obligation created under authority of this Subsection (6);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (6) may not exceed \$15,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Space Dynamics Laboratory High Bay Building, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(7) The Legislature intends that:

- (a) the Board of Regents, on behalf of Dixie State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Dixie State University to borrow money on the credit, revenue, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing a student housing facility;
- (b) Dixie State University use student housing rental fees and other auxiliary revenues as the primary revenue sources for repayment of any obligation created under authority of this Subsection (7);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (7) may not exceed \$41,835,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct a student housing facility, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(8) The Legislature intends that:

- (a) the Board of Regents, on behalf of Utah Valley University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah Valley University to borrow money on the credit, revenue, and reserves of the university, other than appropriations of the Legislature, to finance the cost of remodeling and expanding the Sorenson Center;
- (b) Utah Valley University use student fees and auxiliary revenue as the primary revenue sources for repayment of any obligation created under authority of this Subsection (8);
- (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by this Subsection (8) may not exceed \$24,560,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the remodel and expansion of the Sorenson Center, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

Enacted by Chapter 410, 2019 General Session

## **Part 2**

### **Capital Facility Design and Construction Authorizations**

#### **63B-29-201 Authorization to design and construct capital facilities using institutional or agency funds.**

- (1) The Legislature intends that:
  - (a) Utah State University may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use up to \$7,700,000 in institutional funds to plan, design, and construct an information technology services building;
  - (b) the university may not use state funds for any portion of this project; and
  - (c) the university may use state funds for operation and maintenance costs and capital improvements.
- (2) The Legislature intends that:
  - (a) Utah State University may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use up to \$11,000,000 in donations and institutional funds to plan, design, and construct the Moab Academic Building;
  - (b) the university may not use state funds for any portion of this project; and
  - (c) the university may use state funds for operation and maintenance costs and capital improvements.

Enacted by Chapter 410, 2019 General Session

## **Chapter 30**

### **2020 Bonding and Financing Authorizations**

#### **Part 1**

##### **General Obligation Bonds**

#### **63B-30-101 General obligation bonds for transportation projects.**

- (1) As used in this section, "transportation projects" means Department of Transportation projects described in Subsection 63B-27-101(2).
- (2)
  - (a) When the Department of Transportation certifies to the commission that the requirements of Subsection 72-2-124(7) have been met and certifies the amount of bond proceeds that the commission needs to provide funding for the transportation projects for the current or next fiscal year, the commission may issue and sell general obligation bonds in an amount equal to the certified amount, plus additional amounts necessary to pay costs of issuance, to pay capitalized interest, and to fund any existing debt services reserve requirements, not to exceed 1% of the certified amount.
  - (b) The commission may issue general obligation bonds authorized under this section if the issuance of general obligation bonds would result in the total current outstanding general obligation debt of the state exceeding 50% of the limitation described in the Utah Constitution, Article XIV, Section 1.
- (3) The commission may issue general obligation bonds as provided in this section.

- (4) The total amount of bonds to be issued under this section may not exceed \$89,510,000 for acquisition and construction proceeds, plus additional amounts necessary to pay costs of issuance, to pay capitalized interest, and to fund any existing debt service reserve requirements, with the total amount of the bonds not to exceed \$92,000,000.
- (5) The commission shall ensure that proceeds from the issuance of bonds under this section are provided to the Department of Transportation for use by the Department of Transportation to pay all or part of the cost of the transportation projects, including:
  - (a) interest estimated to accrue on the bonds authorized in this section until the completion of construction of the transportation project, plus a period of 12 months after the end of construction; and
  - (b) all related engineering, architectural, and legal fees.
- (6) The Department of Transportation shall transfer \$20,000,000 of bond proceeds under this section to the Governor's Office of Economic Opportunity for a transportation-related project in a project area created by the military installation development authority, created in Section 63H-1-201.
- (7)
  - (a) The Department of Transportation may enter into agreements related to the transportation projects before the receipt of proceeds of bonds issued under this section.
  - (b) The state intends to use proceeds of tax-exempt bonds to reimburse itself for expenditures for costs of the transportation projects.
- (8) This section supersedes any conflicting provisions of Utah law.

Enacted by Chapter 2, 2020 Special Session 3

## **Part 2** **2020 Revenue Bond Authorizations**

### **63B-30-201 Revenue bond authorizations -- Utah Board of Higher Education.**

- (1) The Legislature intends that:
  - (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Health Sciences campus office building;
  - (b) the University of Utah use clinical revenues and other non-state revenues of the University of Utah Health Sciences as the primary revenue sources for repayment of any obligation created under authority of this Subsection (1);
  - (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (1) may not exceed \$100,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (d) the university may plan, design, and construct the Health Sciences campus office building, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
  - (e) the university may not request state funds for operation and maintenance costs or capital improvements.
- (2) The Legislature intends that:

- (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Health Sciences garage and roadway improvements;
- (b) the University of Utah use clinical, parking, and other non-state revenues of the University of Utah Health Sciences as the primary revenue sources for repayment of any obligation created under authority of this Subsection (2);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (2) may not exceed \$80,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Health Sciences garage and roadway improvements, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(3) The Legislature intends that:

- (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of purchasing the 102 Tower Building located at 102 South 200 East in Salt Lake City, Utah;
- (b) the University of Utah use hospital and institutional lease payments as the primary revenue sources for repayment of any obligation created under authority of this Subsection (3);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (3) may not exceed \$50,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may purchase the 102 Tower Building; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(4) The Legislature intends that:

- (a) the Utah Board of Higher Education, on behalf of Dixie State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Dixie State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing an expansion of the Greater Zion Stadium;
- (b) Dixie State University use Washington County tourism marketing revenue, donations, and institutional funds as the primary revenue sources for repayment of any obligation created under authority of this Subsection (4);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (4) may not exceed \$10,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct an expansion of the Greater Zion Stadium, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

Enacted by Chapter 301, 2020 General Session

**Part 3**  
**2020 Capital Facility Design and Construction Authorization**

**63B-30-301 Authorization to design and construct capital facilities using institutional or agency funds.**

- (1) The Legislature intends that:
  - (a) the University of Utah may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use up to \$9,685,000 in donations and institutional funds to plan, design, and construct an addition to the Rio Tinto Kennecott Building;
  - (b) the university may not use state funds for any portion of this project; and
  - (c) the university may use state funds for operation and maintenance costs and capital improvements.
- (2) The Legislature intends that:
  - (a) Utah State University may, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities, use up to \$1,600,000 in institutional funds to plan, design, and construct or purchase and remodel a Blanding Professional Career and Technical Education Lab;
  - (b) the university may not use state funds for any portion of this project; and
  - (c) the university may use state funds for operation and maintenance costs and capital improvements.

Enacted by Chapter 301, 2020 General Session

**Chapter 31**  
**2021 Bonding and Financing Authorizations**

**Part 1**  
**2021 Transportation and Transit General Obligation Bonds**

**63B-31-101 General obligation bonds -- Maximum amount -- Use of proceeds for projects.**

- (1)
  - (a) Subject to the restriction in Subsection (1)(c), the total amount of bonds issued under this section may not exceed \$264,000,000 for acquisition and construction proceeds, plus additional amounts as provided in Subsection (1)(b).
  - (b) When the Department of Transportation certifies to the commission the amount of bond proceeds needed to provide funding for the projects described in this section, the commission may issue and sell general obligation bonds in an amount equal to the certified amount, plus additional amounts necessary to pay costs of issuance, to pay capitalized interest, and to fund any existing debt service reserve requirements, not to exceed 1% of the certified amount.

- (c) The commission may not issue general obligation bonds authorized under this section if the issuance of the general obligation bonds would result in the total current outstanding general obligation debt of the state exceeding 50% of the limitation described in the Utah Constitution, Article XIV, Section 1.
- (2) Proceeds from the bonds issued under this section shall be provided to the Department of Transportation to pay for, or to provide funds in accordance with this section to pay for, the costs of right-of-way acquisition, construction, reconstruction, renovations, or improvements with respect to projects described in this section.
- (3) It is the intent of the Legislature that as transportation projects are prioritized under Section 72-2-124, the Transportation Commission give consideration to projects beyond the normal programming horizon.
- (4)
  - (a) Two hundred thirty-two million dollars of the proceeds of bonds issued under this section shall be used to double track strategic sections of the FrontRunner commuter rail system, to be repaid from the Transit Transportation Investment Fund under Subsection 72-2-124(10).
  - (b) The issuance of the bonds for the purpose described in Subsection (4)(a) is contingent upon the establishment of an agreement between the Department of Transportation and the Utah Transit Authority whereby the Utah Transit Authority agrees to pay \$5,000,000 per year for 15 years toward repayment of the bonds.
- (5)
  - (a) Twenty-nine million dollars of the proceeds of bonds issued under this section shall be provided to the Department of Transportation to pass through to Brigham City to be used for a Forest Street rail bridge project in Brigham City.
  - (b) Payments shall be made from the Rail Transportation Restricted Account created in Section 72-2-131, from the amount designated under Subsection 72-2-131(4)(c), in the amount per year of the principal and interest payments due under the bonds issued under Subsection (5)(a) until those bonds have been repaid in full.
- (6)
  - (a) Three million dollars of the proceeds of bonds issued under this section shall be provided to the Department of Transportation to pass through to the city of North Salt Lake for an environmental study for a grade separation at 1100 North in North Salt Lake.
  - (b) Payments shall be made from the Rail Transportation Restricted Account created in Section 72-2-131, from the amount designated under Subsection 72-2-131(4)(b), in the amount per year of the principal and interest payments due under the bonds issued under Subsection (6)(a) until those bonds have been repaid in full.
- (7) The costs under Subsection (2) may include the costs of studies necessary to make transportation infrastructure improvements, the costs of acquiring land, interests in land, and easements and rights-of-way, the costs of improving sites and making all improvements necessary, incidental, or convenient to the facilities, and the costs of interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.
- (8) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (9) The Department of Transportation may enter into agreements related to the projects described in Subsection (4) before the receipt of proceeds of bonds issued under this section.

Amended by Chapter 452, 2025 General Session

**63B-31-102 Transportation bonds -- Maximum amount -- Use for transportation projects and related facilities.**

- (1)
  - (a) Subject to the restriction in Subsection (1)(c), the total amount of bonds issued under this section may not exceed \$20,000,000.
  - (b) When the Department of Transportation certifies to the commission the amount of bond proceeds that the commission needs to provide funding for the projects described in Subsection (2), the commission may issue and sell general obligation bonds in an amount equal to the certified amount plus costs of issuance.
  - (c) The commission may not issue general obligation bonds authorized under this section if the issuance for general obligation bonds would result in the total current outstanding general obligation debt of the state exceeding 50% of the limitation described in the Utah Constitution, Article XIV, Section 1.
- (2)
  - (a) Proceeds from the bonds issued under this section shall be provided to the Department of Transportation to pay for or to provide funds to a municipality or county to pay for the costs of right-of-way acquisition, construction, reconstruction, renovations, or improvements to highways, transportation facilities, or multimodal transportation projects described in Subsection (2)(b).
  - (b) Bond proceeds described under Subsection (2)(a) shall be used to pay for the following local transportation projects, transportation facilities, or multimodal transportation projects:
    - (i) construction and improvements to 14600 South in Bluffdale; and
    - (ii) construction of a parking structure in South Jordan.
  - (c) The costs under this Subsection (2) may include the costs of acquiring land, interests in land, easements and rights-of-way, the costs of improving sites, making all improvements necessary, incidental, or convenient to the facilities, and the costs of interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.
- (3)
  - (a) Proceeds from bonds authorized by this section shall be allocated, subject to Subsection (4)(a), as follows:
    - (i) up to \$12,000,000 to Bluffdale; and
    - (ii) up to \$8,000,000 to South Jordan.
  - (b) The executive director of the Department of Transportation may allocate bond proceeds under this section together, or for each project separately, when the executive director is satisfied that the planning, engineering, design, and commitment are present to complete the project.
- (4)
  - (a) Before the Department of Transportation may provide proceeds to a municipality for a project described in Subsection (2)(b), the municipality shall provide a detailed cost estimate of costs to complete the planning and design of the project.
  - (b) After receiving a cost estimate described in Subsection (4)(a), the Department of Transportation may provide to a municipality proceeds reasonably necessary to complete the planning and design of the project.

- (c) After completion of the planning and design of a project, the municipality shall provide to the Department of Transportation a detailed estimate of the costs to construct and complete a project described in Subsection (2)(b).
- (d) If approved by the executive director of the Department of Transportation, the Department of Transportation may provide funds to a municipality to construct and complete a project described in Subsection (2)(b).

Enacted by Chapter 420, 2021 General Session

**63B-31-103 Transportation bonds -- Maximum amount -- Use for State Infrastructure Bank Fund loans.**

- (1)
  - (a) Subject to the restriction in Subsection (1)(c), the total amount of bonds issued under this section may not exceed \$30,000,000.
  - (b) When the Department of Transportation certifies to the commission the amount of bond proceeds that the commission needs to provide funding for the purposes described in Subsection (2), the commission may issue and sell general obligation bonds in an amount equal to the certified amount plus costs of issuance.
  - (c) The commission may not issue general obligation bonds authorized under this section if the issuance for general obligation bonds would result in the total current outstanding general obligation debt of the state exceeding 50% of the limitation described in the Utah Constitution, Article XIV, Section 1.
- (2)
  - (a) Proceeds from the bonds issued under this section shall be provided to the Department of Transportation to transfer to the State Infrastructure Bank Fund created in Section 72-2-202 to be used to issue loans pursuant to Title 72, Chapter 2, Part 2, State Infrastructure Bank Fund.
  - (b) Any distribution from the State Infrastructure Bank Fund shall be contingent upon a commitment from the borrower that revenue is available to repay the loan from the State Infrastructure Bank Fund which shall be paid in whole or in part from revenue distributions described in Subsection 72-2-121(4)(j).
  - (c) Notwithstanding Subsection 72-2-204(2), a loan or assistance made with proceeds from bonds issued under this section shall bear an interest rate not to exceed .5% above the bond market interest rate available to the state for an issuance under this section.

Amended by Chapter 501, 2024 General Session

**Part 2**  
**2021 Revenue Bond Authorizations**

**63B-31-201 Revenue bond authorizations -- Utah Board of Higher Education.**

- (1) The Legislature intends that:
  - (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the

Legislature, to finance the cost of constructing the West Village Graduate and Family Student Housing;

- (b) the University of Utah use student housing rental fees and other auxiliary revenue as the primary revenue sources for repayment of any obligation created under authority of this Subsection (1);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (1) may not exceed \$125,800,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the West Village Graduate and Family Student Housing, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(2) The Legislature intends that:

- (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Impact - Epicenter building;
- (b) the University of Utah use donations, student housing rental fees, and other auxiliary revenue as the primary revenue sources for repayment of any obligation created under authority of this Subsection (2);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (2) may not exceed \$118,700,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Impact - Epicenter building, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(3) The Legislature intends that:

- (a) the Utah Board of Higher Education, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing an expansion of the Electric Vehicle and Roadway building;
- (b) Utah State University use research revenue, donations, and institutional funds as the primary revenue sources for repayment of any obligation created under authority of this Subsection (3);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (3) may not exceed \$9,200,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the expansion of the Electric Vehicle and Roadway building, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

(4) The Legislature intends that:

- (a) the Utah Board of Higher Education, on behalf of Weber State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Weber State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Stewart Stadium east bleachers;
- (b) Weber State University use student fees and institutional funds as the primary revenue sources for repayment of any obligation created under authority of this Subsection (4);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (4) may not exceed \$4,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Stewart Stadium east bleachers, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request additional state funds for operation and maintenance costs or capital improvements.

(5) The Legislature intends that:

- (a) the Utah Board of Higher Education, on behalf of Weber State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Weber State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Noorda Engineering and Applied Science building;
- (b) Weber State University use lease payments as the primary revenue sources for repayment of any obligation created under authority of this Subsection (5);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (5) may not exceed \$8,500,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the Noorda Engineering and Applied Science building, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request additional state funds for operation and maintenance costs or capital improvements.

Amended by Chapter 315, 2022 General Session

**63B-31-202 State Building Ownership Authority obligations for new state liquor stores.**

(1) The Legislature intends that:

- (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$11,725,700 for a Salt Lake City market area liquor store in Sugarhouse, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;
- (b) the Department of Alcoholic Beverage Services use sales revenues as the primary revenue source for repayment of any obligation created under authority of this Subsection (1);
- (c) the Department of Alcoholic Beverage Services may request operation and maintenance funding from sales revenues; and

- (d) the Department of Alcoholic Beverage Services use up to \$5,000,000 to repay the State Store Land Acquisition and Building Construction Fund under Section 32B-2-307.
- (2) The Legislature intends that:
  - (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$5,524,000 for a Salt Lake City area market liquor store in east Sandy, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;
  - (b) the Department of Alcoholic Beverage Services use sales revenues as the primary revenue source for repayment of any obligation created under authority of this Subsection (2); and
  - (c) the Department of Alcoholic Beverage Services may request operation and maintenance funding from sales revenues.

Amended by Chapter 315, 2022 General Session

Amended by Chapter 447, 2022 General Session

## **Chapter 32 2022 Bonding and Financing Authorizations**

### **Part 1 2022 Revenue Bond Authorizations**

#### **63B-32-101 Revenue bond authorizations -- Utah Board of Higher Education.**

- (1) The Legislature intends that:
  - (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the fourth wing of Kahlert Village;
  - (b) the University of Utah use student housing rental fees and other auxiliary revenues as the primary revenue sources for repayment of any obligation created under authority of this Subsection (1);
  - (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (1) may not exceed \$47,600,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (d) the university may plan, design, and construct the fourth wing of Kahlert Village subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
  - (e) the university may not request state funds for operation and maintenance costs or capital improvements.
- (2) The Legislature intends that:
  - (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of

the Legislature, to finance the cost of constructing the West Valley Health and Community Center;

(b) the University of Utah use clinical revenues and other non-state revenues of the University of Utah Health Sciences as the primary revenue sources for repayment of any obligation created under authority of this Subsection (2);

(c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (2) may not exceed \$800,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;

(d) the university may plan, design, and construct the West Valley Health and Community Center subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and

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

(3) The Legislature intends that:

(a) the Utah Board of Higher Education, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing improvements to Maverik Stadium;

(b) Utah State University use existing student fees as the primary revenue sources for repayment of any obligation created under authority of this Subsection (3);

(c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (3) may not exceed \$7,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;

(d) the university may plan, design, and construct improvements to Maverik Stadium subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and

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

(4) The Legislature intends that:

(a) the Utah Board of Higher Education, on behalf of Dixie State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Dixie State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing Campus View Suites Phase Three;

(b) Dixie State University use student housing rental fees and other auxiliary revenues as the primary revenue sources for repayment of any obligation created under authority of this Subsection (4);

(c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (4) may not exceed \$62,500,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;

(d) the university may plan, design, and construct Campus View Suites Phase Three subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and

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

(5) The Legislature intends that:

(a) the Utah Board of Higher Education, on behalf of Utah Valley University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah Valley University to borrow

money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing a parking garage;

- (b) Utah Valley University use parking fees and other auxiliary revenues as the primary revenue sources for repayment of any obligation created under authority of this Subsection (5);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (5) may not exceed \$12,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct a parking garage subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request additional state funds for operation and maintenance costs or capital improvements.

(6) The Legislature intends that:

- (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the university's share of the cost of constructing the Applied Sciences Building;
- (b) the University of Utah use donations and university funds as the primary revenue sources for repayment of any obligation created under authority of this Subsection (6); and
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (6) may not exceed \$25,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(7) The Legislature intends that:

- (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the university of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the University's share of the cost of constructing a Mental Health Facility;
- (b) the University of Utah use donations as the primary revenue sources for repayment of any obligation created under authority of this Subsection (7); and
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (7) may not exceed \$65,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(8) The Legislature intends that:

- (a) the Utah Board of Higher Education, on behalf of Southern Utah University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Southern Utah University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of purchasing The Cottages at Shakespeare Lane apartment complex and adjoining home;
- (b) Southern Utah University use donations, student housing rental fees, and other auxiliary revenues as the primary revenue sources for repayment of any obligation created under authority of this Subsection (8);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (8) may not exceed \$12,000,000 for acquisition proceeds, together with other amounts

necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements; and

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

(9) The Legislature intends that:

- (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing an indoor football practice facility;
- (b) the University of Utah use donations and nonstate university funds as the primary revenue sources for repayment of any obligation created under authority of this Subsection (9);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (9) may not exceed \$62,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the indoor football practice facility, subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request state funds for operation and maintenance costs or capital improvements.

Amended by Chapter 268, 2024 General Session

**63B-32-102 State Building Ownership Authority obligations for new state liquor stores.**

(1) The Legislature intends that:

- (a) the State Building Ownership Authority, under the authority of Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$8,214,253 for a Summit County market area liquor store in Park City, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;
- (b) the Department of Alcoholic Beverage Control use sales revenues as the primary revenue source for repayment of any obligation created under authority of this Subsection (1); and
- (c) the Department of Alcoholic Beverage Control may request operation and maintenance funding from sales revenues.

(2) The Legislature intends that:

- (a) the State Building Ownership Authority, under the authority of Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$7,455,342 for a Washington County area market liquor store in St. George, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;
- (b) the Department of Alcoholic Beverage Control use sales revenues as the primary revenue source for repayment of any obligation created under authority of this Subsection (2); and
- (c) the Department of Alcoholic Beverage Control may request operation and maintenance funding from sales revenues.

Enacted by Chapter 315, 2022 General Session

## **Chapter 33** **2023 Bonding and Financing Authorizations**

### **Part 1** **2023 Revenue Bond Authorizations**

#### **63B-33-101 Revenue bond authorizations -- Utah Board of Higher Education.**

- (1) The Legislature intends that:
  - (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the West Village Family and Graduate Housing Phase Two;
  - (b) the University of Utah use student housing rental fees and other auxiliary revenues as the primary revenue sources for repayment of any obligation created under authority of this Subsection (1);
  - (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (1) may not exceed \$214,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (d) the university may plan, design, and construct the West Village Family and Graduate Housing Phase Two subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
  - (e) the university may not request additional state funds for operation and maintenance costs or capital improvements.
- (2) The Legislature intends that:
  - (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Undergraduate Student Housing project;
  - (b) the University of Utah use student housing rental fees and other auxiliary revenues as the primary revenue sources for repayment of any obligation created under authority of this Subsection (2);
  - (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (2) may not exceed \$382,415,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (d) the university may plan, design, and construct the Undergraduate Student Housing project subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
  - (e) the university may not request additional state funds for operation and maintenance costs or capital improvements.
- (3) The Legislature intends that:
  - (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow

money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the South Campus Garage;

- (b) the University of Utah use parking fees and other auxiliary revenues as the primary revenue sources for repayment of any obligation created under authority of this Subsection (3);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (3) may not exceed \$116,300,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the South Campus Garage subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request additional state funds for operation and maintenance costs or capital improvements.

(4) The Legislature intends that:

- (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the John and Marcia Price Computing and Engineering project;
- (b) the University of Utah use donations, parking revenues, federal funds, and other institutional revenues as the primary revenue sources for repayment of any obligation created under authority of this Subsection (4);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (4) may not exceed \$76,198,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the John and Marcia Price Computing and Engineering building subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may request additional state funds for operation and maintenance costs and capital improvements.

(5) The Legislature intends that:

- (a) the Utah Board of Higher Education, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the South Campus Residence Hall;
- (b) Utah State University use student housing rental fees and other auxiliary revenues as the primary revenue sources for repayment of any obligation created under authority of this Subsection (5);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (5) may not exceed \$49,293,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the South Campus Residence Hall subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request additional state funds for operation and maintenance costs or capital improvements.

(6) The Legislature intends that:

- (a) the Utah Board of Higher Education, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the South Campus Parking Terrace project;
- (b) Utah State University use parking fees and other auxiliary revenues as the primary revenue sources for repayment of any obligation created under authority of this Subsection (6);
- (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (6) may not exceed \$22,925,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
- (d) the university may plan, design, and construct the South Campus Parking Terrace project subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request additional state funds for operation and maintenance costs or capital improvements.

Enacted by Chapter 538, 2023 General Session

## **Chapter 34 2025 Bonding and Financing Authorizations**

### **Part 1 2025 General Obligation Bonding Authorizations**

#### **63B-34-101 Transportation bonds -- Maximum amount -- Use for transportation projects related to affordable housing initiatives.**

- (1)
  - (a) Subject to the restriction in Subsection (1)(c), the total amount of bonds issued under this section may not exceed \$70,000,000.
  - (b) When the Department of Transportation certifies to the commission the amount of bond proceeds that the commission needs to provide funding for the projects described in Subsection (2), the commission may issue and sell general obligation bonds in an amount equal to the certified amount plus costs of issuance.
  - (c) The commission may not issue general obligation bonds authorized under this section if the issuance for general obligation bonds would result in the total current outstanding general obligation debt of the state exceeding 50% of the limitation described in Utah Constitution, Article XIV, Section 1.
- (2)
  - (a) Proceeds from the bonds issued under this section shall be provided to the Department of Transportation through the Transportation Investment Fund of 2005 created in Section 72-2-124 to pay for or to provide funds to public entities for costs related to affordable housing initiatives as described in Subsection (2)(b).
  - (b) Bond proceeds described under Subsection (2)(a) shall be used to pay for infrastructure to assist in affordable housing related grants and allocated as described in Title 72, Chapter 2, Part 5, Affordable Housing Infrastructure Grants.

- (c) The costs under this Subsection (2) may include the costs of acquiring land, interests in land, easements and rights-of-way, the costs of improving sites, making all improvements necessary, incidental, or convenient to the facilities, and the costs of interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.
- (3) The executive director of the Department of Transportation may allocate bond proceeds under this section as provided in Title 72, Chapter 2, Part 5, Affordable Housing Infrastructure Grants.

Enacted by Chapter 502, 2025 General Session

## **Part 2** **2025 Bonding and Financing Authorizations**

### **63B-34-201 Revenue bond authorizations -- Utah Board of Higher Education.**

- (1) The Legislature intends that:
  - (a) the Utah Board of Higher Education, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the Huntsman Cancer Institute Vineyard Campus Facility;
  - (b) the University of Utah use clinical revenues and other non-state revenues of the University of Utah Health Sciences as the primary revenue sources for repayment of any obligation created under authority of this Subsection (1);
  - (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (1) may not exceed \$65,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
  - (d) the university may plan, design, and construct the Huntsman Cancer Institute Vineyard Campus Facility subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
  - (e) the university may not request state funds for operation and maintenance costs or capital improvements.
- (2) The Legislature intends that:
  - (a) the Utah Board of Higher Education, on behalf of Utah State University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of the university, other than appropriations of the Legislature, to finance the cost of constructing the 800 East Residence Hall project;
  - (b) Utah State University use student housing rental fees and other auxiliary revenues as the primary revenue sources for repayment of any obligation created under authority of this Subsection (2);
  - (c) the amount of revenue bonds or evidences of indebtedness authorized by this Subsection (2) may not exceed \$100,000,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;

- (d) the university may plan, design, and construct the 800 East Residence Hall project subject to the requirements of Title 63A, Chapter 5b, Administration of State Facilities; and
- (e) the university may not request additional state funds for operation and maintenance costs or capital improvements.

**63B-34-202 Revenue bond authorizations -- State Building Ownership Authority.**

The Legislature intends that:

- (1) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$85,000,000 for a warehouse facility and club store, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;
- (2) the Department of Alcoholic Beverage Services use sales revenues as the primary revenue source for repayment of any obligation created under authority of this section;
- (3) the Department of Alcoholic Beverage Services may request operation and maintenance funding from sales revenues; and
- (4) before the State Building Ownership Authority takes any action under this section, the Department of Alcoholic Beverage Services, the Division of Facilities and Construction Management, and the state treasurer jointly provide to the Executive Appropriations Committee and the Governor's Office of Planning and Budget a report that describes the plans related to the potential action, including facility specifications, construction cost, operations and maintenance projections, and expected terms of finance.