

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 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
TOTAL CAPITAL AND ECONOMIC DEVELOPMENT	\$32,855,300	

(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-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 his budget for as long as bonds issued under this chapter remain outstanding.

Enacted by Chapter 67, 1998 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)
 - (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-7-217 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 316, 1998 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 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-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 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 316, 1998 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 his budget for as long as bonds issued under this chapter remain outstanding.

Enacted by Chapter 67, 1998 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 Administrative Services 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 382, 2008 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