

Senator Peter C. Knudson proposes to substitute the following bill:

1 **STATE BUILDING OWNERSHIP AUTHORITY AMENDMENTS**

2 2000 GENERAL SESSION

3 STATE OF UTAH

4 **Sponsor: Peter C. Knudson**

5 AN ACT RELATING TO STATE AFFAIRS IN GENERAL; MODIFYING DEFINITIONS;
6 MODIFYING POWERS AND DUTIES; MODIFYING THE MEMBERSHIP OF THE STATE
7 BUILDING OWNERSHIP AUTHORITY; MAKING TECHNICAL CORRECTIONS; AND
8 PROVIDING AN EFFECTIVE DATE.

9 This act affects sections of Utah Code Annotated 1953 as follows:

10 AMENDS:

11 **63-9a-3**, as last amended by Chapters 67 and 314, Laws of Utah 1998

12 **63-9a-4**, as last amended by Chapter 243, Laws of Utah 1996

13 **63-9a-5**, as last amended by Chapter 260, Laws of Utah 1981

14 **63-9a-18**, as last amended by Chapter 260, Laws of Utah 1981

15 REPEALS:

16 **63-9a-21**, as last amended by Chapter 20, Laws of Utah 1995

17 **63-9a-22**, as last amended by Chapter 82, Laws of Utah 1997

18 *Be it enacted by the Legislature of the state of Utah:*

19 Section 1. Section **63-9a-3** is amended to read:

20 **63-9a-3. Definitions.**

21 As used in this chapter:

22 (1) "Acquire or construct," "acquired or constructed," "constructed or acquired," "acquiring
23 or constructing," or "acquisition or construction" means any acquisition, construction,
24 reconstruction, restoration, enlargement, improvement, renovation, repair, replacement, equipping
25 or furnishing, in whole or in part, of a facility.

26 (2) "Authority" means the State Building Ownership Authority created by this chapter.

27 (3) "Division" means the Division of Facilities Construction and Management.

28 ~~[(3)]~~ (4) (a) "Facility" or "facilities" means any public building, structure, highway, or
29 property for any governmental purpose of state bodies, and the related and appurtenant easements,
30 rights-of-way, improvements, paving, utilities, landscaping, parking facilities, and the lands,
31 interests in land, and grounds, together with the personal property necessary, convenient, or
32 appurtenant thereto.

33 (b) "Facility" includes a golf course.

34 ~~[(4)]~~ (5) "Mortgage" means any mortgage, trust deed, indenture, pledge agreement,
35 assignment, security agreement, financing statement, or other instrument pursuant to which
36 property may be encumbered as security for obligations.

37 ~~[(5)]~~ (6) "Obligations" means any mortgage certificates, notes, debentures, interim
38 certificates, revenue bonds, or other evidences of financial indebtedness, but not including general
39 obligation bonds.

40 ~~[(6)]~~ (7) (a) "State body" or "state bodies" means the state and any department, board,
41 commission, or agency of the state.

42 (b) Except as provided in Subsection ~~[(6)]~~ (7)(c), "state body" or "state bodies" does not
43 mean colleges and universities.

44 (c) "State body" or "state bodies" includes a college or university when the obligation to
45 be issued will finance the acquisition or construction of research facilities, housing facilities, or
46 student centers at the college or university.

47 (d) "State body" or "state bodies" includes applied technology centers.

48 Section 2. Section **63-9a-4** is amended to read:

49 **63-9a-4. State Building Ownership Authority created -- Members -- Compensation**
50 **-- Location in Department of Administrative Services.**

51 (1) There is created a body politic and corporate to be known as the State Building
52 Ownership Authority.

53 (2) The members of the State ~~[Building Board]~~ Bonding Commission created under
54 Section ~~[63A-5-101]~~ 63B-1-201 shall serve as members of the State Building Ownership
55 Authority.

56 (3) (a) (i) Members who are not government employees shall receive no compensation or

57 benefits for their services, but may receive per diem and expenses incurred in the performance of
 58 the member's official duties at the rates established by the Division of Finance under Sections
 59 63A-3-106 and 63A-3-107.

60 (ii) Members may decline to receive per diem and expenses for their service.

61 (b) (i) State government officer and employee members who do not receive salary, per
 62 diem, or expenses from their agency for their service may receive per diem and expenses incurred
 63 in the performance of their official duties from the authority at the rates established by the Division
 64 of Finance under Sections 63A-3-106 and 63A-3-107.

65 (ii) State government officer and employee members may decline to receive per diem and
 66 expenses for their service.

67 (4) (a) The State Building Ownership Authority shall be located within the Department
 68 of Administrative Services for administrative purposes and shall receive staff support and all
 69 necessary information and resources from the department as required.

70 (b) The state financial advisor created under Section 67-4-16 shall provide independent
 71 financial advice, support, and information as required.

72 Section 3. Section **63-9a-5** is amended to read:

73 **63-9a-5. Powers and duties of authority.**

74 (1) The authority shall ~~[have the following powers and duties: (1) to]~~ have perpetual
 75 succession as a body politic and corporate[;].

76 (2) The authority may:

77 ~~[(2) to]~~ (a) ~~h~~ [a] ~~h~~ sue and ~~h~~ [to] ~~h~~ be sued in its own name;

78 ~~[(3) to]~~ (b) have, and alter at will, an official seal;

79 ~~[(4) to]~~ (c) contract with experts, advisers, consultants, and agents for needed services;

80 ~~[(5)]~~ (d) with the prior approval of the Legislature, ~~[to]~~ borrow money and issue
 81 obligations, including refunding obligations;

82 ~~[(6) to]~~ (e) receive and accept aid or contributions from any source, including the United
 83 States or this state, in the form of money, property, labor, or other things of value to be held, used
 84 and applied to carry out the purposes of this chapter, subject to the conditions upon which this aid
 85 and contributions are made, for any purpose consistent with this chapter;

86 ~~[(7) to]~~ (f) enter into agreements with any department, agency or instrumentality of the
 87 United States or this state, financial institutions, or contractors for the purpose of leasing,

88 maintaining, and operating any facility;

89 ~~[(8)]~~ (g) to the extent permitted under its contract with the holders of its obligations, ~~[(t)]~~
90 consent to any modification relating to rate of interest, time and payment of any installment of
91 principal or interest, security or any other term of any contract, mortgage, mortgage loan, mortgage
92 loan commitment, contract or agreement of any kind to which it is a party;

93 ~~[(9) to]~~ (h) pledge revenues from any facility to secure the payment of obligations relating
94 to that facility, including interest on obligations, and to redeem those obligations;

95 ~~[(10) to]~~ (i) cause to be executed mortgages, trust deeds, indentures, pledge agreements,
96 assignments, security agreements, and financing statements encumbering property acquired, or
97 constructed under this chapter;

98 ~~[(11) to]~~ (j) own, lease, operate, and encumber facilities acquired or constructed under this
99 chapter by it or the ~~[state building board]~~ the division;

100 ~~[(12) to]~~ (k) exercise the power of eminent domain;

101 ~~[(13) to]~~ (l) rent or lease any facility in whole or in part to any state body; and

102 ~~[(14) to]~~ (m) have and exercise ~~[such]~~ any other powers or duties ~~[as may be]~~ that are
103 necessary or appropriate to carry out and effectuate the purposes of this chapter.

104 Section 4. Section **63-9a-18** is amended to read:

105 **63-9a-18. Duties of the Division of Facilities Construction and Management --**
106 **Reimbursement.**

107 (1) (a) The ~~[State Building Board]~~ division shall:

108 (i) construct, maintain, allocate the space in, and dispose of all facilities acquired or
109 constructed for the authority with the proceeds of obligations of the authority~~[-and the board~~
110 ~~shall]; and~~

111 (ii) do all things necessary to keep those facilities in good order and repair ~~[and]~~.

112 (2) The division may perform all ~~[these acts]~~ of the duties established in Subsection (1)
113 pursuant to contracts with the authority.

114 (3) The ~~[board]~~ division shall be reimbursed for all direct costs of maintenance by the
115 authority from funds derived from rental or lease payments.

116 (4) Nothing contained in this chapter may be construed to limit, supersede, or otherwise
117 change in any respect the authority of the division provided in Title 63A, Chapter 5, State Building
118 Board - Division of Facilities Construction and Management.

119 Section 5. **Repealer.**

120 This act repeals:

121 Section **63-9a-21, State Building Ownership Authority Program of 1979 -- Obligations**
122 **for general office building facility authorized.**

123 Section **63-9a-22, State Building Ownership Authority Program -- Obligations for**
124 **agriculture and food department office building facility authorized.**

125 Section 6. **Effective date.**

126 If approved by two-thirds of all the members elected to each house, this act takes effect
127 upon approval by the governor, or the day following the constitutional time limit of Utah
128 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto, the
129 date of veto override.