

Senator Michael G. Waddoups proposes the following substitute bill:

1 **2002 HIGHWAY GENERAL OBLIGATION**

2 **BOND AMENDMENTS**

3 2003 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Wayne A. Harper**

6 **This act modifies provisions governing 2002 Highway General Obligation Bonds for Salt**
7 **Lake County by eliminating certain projects and by eliminating the requirement that**
8 **projects be funded in a strict priority order.**

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

10 AMENDS:

11 **63B-11-501**, as enacted by Chapter 266, Laws of Utah 2002

12 **63B-11-502**, as enacted by Chapter 266, Laws of Utah 2002

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

14 Section 1. Section **63B-11-501** is amended to read:

15 **63B-11-501. State Bonding Commission authorized to issue general obligation**
16 **bonds.**

17 ~~[After the interlocal agreement specified in Subsection 72-2-121(2)(b) is rescinded,~~
18 ~~cancelled, or expires, and upon] Upon~~ receipt of a ~~[formal] written~~ opinion from the Utah
19 Attorney General that Salt Lake County has entered a binding legal agreement with the state in
20 which Salt Lake County agrees, ~~[for a minimum of ten years] until all of the principal, interest,~~
21 ~~and issuance costs on the bonds have been paid,~~ to annually transfer enough of the 1/4 of 1/4%
22 of sales tax proceeds earmarked by Section 59-12-502 to the sinking fund created in Section
23 63B-11-508 to pay the principal, interest, and issuance costs for any general obligation bonds
24 issued to provide funds for any of the Salt Lake County transportation projects identified in
25 Section 63B-11-502, the commission created under Section 63B-1-201 may issue and sell



26 general obligation bonds of the state pledging the full faith, credit, and resources of the state for
27 the payment of the principal of and interest on the bonds, to provide funds to the Department of
28 Transportation.

29 Section 2. Section **63B-11-502** is amended to read:

30 **63B-11-502. Maximum amount -- Projects authorized.**

31 (1) The total amount of bonds issued under this part may not exceed [~~\$50,000,000~~]
32 \$78,500,000.

33 (2) (a) (i) Proceeds from the issuance of bonds shall be provided to the Department of
34 Transportation to provide funds to pay all or part of the costs of accelerating any of the
35 following state highway construction or reconstruction projects in Salt Lake County [~~in the~~
36 ~~following order, unless extraordinary circumstances jointly agreed upon by the Department of~~
37 ~~Transportation and Salt Lake County require a different order]:~~

38 [(i) (A) I-15: 10600 South to the Utah County line;

39 [(ii) I-15: Beck Street Overpass;]

40 [(iii) (B) Final Environmental Impact Statement for Western Transportation Corridor:
41 I-80 to Utah County;

42 [(iv) Redwood Road: 6200 South to I-215;]

43 [(v) (C) I-215: [~~Jordan River to SR-201;]~~ Redwood Road to 4700 South;

44 [(vi) Redwood Road: 12600 South to Bangerter Highway;]

45 [(vii) (D) State Street Reconstruction: [~~6400~~] 9000 South to 10600 South; and

46 [(viii) acquisition of rights-of-way for the Western Transportation Corridor;]

47 [(ix) 11400 South: I-15 to Redwood Road; and]

48 [(x) 5600 West Reconstruction: 4500 South to 6200 South.]

49 (E) except as provided in Subsection (2)(d), State Street Reconstruction: 7800 South to
50 8000 South.

51 (ii) If the Department of Transportation is unable to begin or complete a project
52 authorized by this Subsection (2)(a) because of a court order, the Department of
53 Transportation, with the approval of Salt Lake County, may expend bond proceeds to construct
54 one or more projects identified in Subsection (2)(e).

55 (b) When the Utah Transit Authority certifies to the Transportation Commission that
56 the Utah Transit Authority will pay half the costs of reconstruction of the Utah Transit

57 Authority railroad overpass on 8000 South State Street, the Department of Transportation may
58 provide funds from bond proceeds to pay the other half of the costs of reconstruction of the
59 Utah Transit Authority railroad overpass on 8000 South.

60 (c) As used in Subsections (2)(a) and (b), "costs" may include the cost of acquiring
61 land, interests in land, easements and rights-of-way, improving sites, and making all
62 improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue
63 on these bonds during the period to be covered by construction of the projects plus a period of
64 six months after the end of the construction period, interest estimated to accrue on any bond
65 anticipation notes issued under the authority of Chapter 11, Part 6, 2002 Highway General
66 Obligation Bond Anticipation [Note] Notes for Salt Lake County [~~Authorization~~], and all
67 related engineering, architectural, and legal fees.

68 (d) Bond proceeds may not be expended on the State Street Reconstruction: 7800 to
69 8000 South project until the Transportation Commission has received the certification required
70 by Subsection (2)(b) from the Utah Transit Authority.

71 (e) As the following projects or future projects identified by the Salt Lake County and
72 the Legislature are prepared and ready for construction by the Department of Transportation, it
73 is the intent of the Legislature that they will be accelerated and funded from future general
74 obligation bonds issued in anticipation of receiving debt service funds from Salt Lake County's
75 1/4 of 1/4 percent sales tax proceeds earmarked by Section 59-12-502 and from other funding
76 sources available to the Department of Transportation, including monies available from the
77 Centennial Highway Fund and the Statewide Transportation Improvement Plan: 5600 West
78 Reconstruction: 4500 South to 7000 South; Redwood Road: 12600 South to Bangerter
79 Highway; I-15: Beck Street Overpass; I-215: 4700 South to SR-201; acquisition of
80 rights-of-way for the Western Transportation Corridor; 11400 South: I-15 to Redwood Road;
81 and State Street Reconstruction 6400 South to 7800 South and 8000 South to 9000 South.

82 (3) If any portion of the proceeds of the tax paid to the state are not required to pay
83 principal, interest, and issuance costs of the bonds and the principal, interest, and issuance costs
84 of the bond have been paid off, or if, after completion of the projects authorized under
85 Subsection (2)(a) and payment of the costs of issuing and selling the bonds under Section
86 63B-11-503, any bond proceeds remain unexpended, the Department of Transportation may
87 use those unexpended proceeds to pay all or part of the costs of construction projects in Salt

88 Lake County that have been approved and prioritized by the Transportation Commission.

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

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